29 AUGUST 2025

CARMIGNAC

25 YEARS CARMIGNAC IN LUXEMBOURG

PROSPECTUS

CARMIGNAC PORTFOLIO

Luxembourg SICAV (open-ended investment company)
conforming to the European Directive on UCITS

Subscriptions for Shares of CARMIGNAC PORTFOLIO are only valid if made on the basis of the current prospectus, accompanied by the latest annual report and the latest semi-annual report, if published thereafter.

Neither the distribution of this prospectus, nor the offer, issue or sale of Shares of the Company constitutes an assertion that the information provided in this prospectus shall always be exact subsequent to the date of the prospectus. In order to take account of significant changes, this prospectus will be updated in due course on the understanding that any launch of a new Sub-Fund shall result in an update of the prospectus.

No person is authorised to provide any information other than the information already contained in this prospectus and the documents referred to therein, which may be consulted by the publics.

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GLOSSARY

Terms in capital letters and abbreviations used in this prospectus have defined meanings, which are explained in this Glossary. Moreover, words in this prospectus importing the singular form shall include the plural and *vice versa* and words importing the masculine gender shall include the feminine gender and *vice versa*. Any term that is not included in the Glossary but defined in the 2010 Law, as defined below, shall have the meaning indicated in the latter.

Acc Share or **Accumulation Share**	a Share, as defined below, not distributing profits to Shareholders
Administrative Agent	CACEIS Bank, Luxembourg Branch
AIF	an alternative investment fund in accordance with the Alternative Investment Fund Managers Directive 2011/61/EU.
Applicable Law(s)	all the laws, regulations, circulars and provisions applicable, from time to time, to the Company and its activities, directly or indirectly
Articles of Association	the articles of association of the Company, as defined below
Board of Directors	the board of directors of the Company, as defined below
BRL	the Brazilian Real
CAD	the Canadian Dollar
Carmignac Group	Carmignac entities, UCITS/AIFs managed by these entities and Carmignac employees
CEST	the Central European Summer Time zone
CET	the Central European Time zone
CHF	the Swiss Franc
Class	a class of Shares, as defined below. Each Class (or Share Class) may have different features in terms of, inter alia, costs, fees, subscription, redemption, eligibility requirements, holding requirements, etc.
Company	CARMIGNAC PORTFOLIO, a UCITS-compliant Luxembourg open-ended investment company with multiple Sub-Funds, as defined below
CSSF	the *Commission de Surveillance du Secteur Financier*, the Luxembourg financial supervisory authority
Depositary	BNP Paribas, Luxembourg branch
DKK	The Danish krone
Domiciliary Agent	CACEIS Bank, Luxembourg Branch
ESMA	the European Securities and Markets Authority
EU	the European Union
EUR	the Euro, the Euro-zone currency
FATCA	the U.S. "Foreign Account Tax Compliance Act"
GBP	the British pound sterling
HKD	The Hong Kong dollar
Minc Share or Qinc Share	An Income Share, as defined below, distributing profits to Shareholders (monthly or quarterly)
Independent Auditor	PricewaterhouseCoopers Société cooperative
Investment Manager	the investment manager of the Sub-Funds (i.e. the entity specified in each Sub-Fund fact sheet in Part A of the prospectus
JPY	The Japanese yen
KID	Key Information Document
Law of 1915	the Luxembourg Law of 1915 on commercial companies, as amended
Law of 2010	the Luxembourg law of 17 December 2010, as amended and supplemented by the Luxembourg law of 10 May 2016
Management Company	Carmignac Gestion Luxembourg S.A.
MiFID 2	the Directive 2014/65/EU on markets in financial instruments
NAV	Net Asset Value
NOK	The Norwegian krone
OECD	the Organisation for Economic Co-operation and Development
Paris Agreement	an international treaty on climate change adopted by 196 Parties at the UN Climate Change Conference (COP21) in Paris, France, on 12 December 2015.
Paying Agent	CACEIS Bank, Luxembourg Branch
Registrar and Transfer Agent	CACEIS Bank, Luxembourg Branch
SEK	The Swedish krona
SFDR	The regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (also "Sustainable Finance Disclosure Regulation")

Share	a Share of any Sub-Fund, as defined below, of the Company
Share Class	see the definition of "Class" above
Shareholder	any physical or legal person owning Shares of a Sub-Fund
Sub-Fund	any investment compartment (i.e. a separate pool of assets) of the Company, as described in detail in the Part B of this prospectus
UCI	any collective investment scheme that is not a UCITS, as defined below
UCI Administration Agent	CACEIS Bank, Luxembourg Branch
UCITS	an Undertaking for Collective Investment in Transferable Securities, i.e. a collective investment scheme compliant with the Directive 2009/65/EC, as amended and supplemented
Underlying	asset(s) in which a Sub-Fund may invest, in accordance with its investment policy and within the limits of the Law of 2010
USD	the United States of America dollar
Valuation Day	a day on which a NAV is calculated for a Sub-Fund

DIRECTORY

REGISTERED OFFICE
5, Allée Scheffer
L - 2520 Luxembourg, Grand Duchy of Luxembourg

CARMIGNAC PORTFOLIO - BOARD OF DIRECTORS
- Mr Mark DENHAM, Chairman of the Board of Directors
  Head of Equities, Carmignac UK Ltd.
- Mr Edouard CARMIGNAC, Director
  Managing Director of Carmignac Gestion S.A., Director of Carmignac Gestion Luxembourg S.A.
- Mrs Rose OUAHBA, Director
- Mr Marnix VAN DEN BERGE, Director
- Mr Philippe DUPUIS, Director

MANAGEMENT COMPANY
Carmignac Gestion Luxembourg S.A.
7, rue de la Chapelle
L-1325 Luxembourg, Grand Duchy of Luxembourg

CARMIGNAC GESTION LUXEMBOURG S.A. - BOARD OF DIRECTORS
- Mrs Rose OUAHBA, Chairman of the Board of Directors
- Mr Edouard CARMIGNAC, Director
  Chairman of the Board of Directors and Managing Director of Carmignac Gestion S.A.
- Mrs Maxime CARMIGNAC, Director
- Mr Cyril de GIRARDIER, Director
- Mr Christophe PERONIN, Director

CARMIGNAC GESTION LUXEMBOURG S.A. – MANAGEMENT *(Délégués à la gestion journalière)*
- Mr Cyril de GIRARDIER
- Mrs Jacqueline MONDONI
- Mr Marnix VAN DEN BERGE
- Mr Abdellah BOUZIANE
- Mr Benoit NANSOT
- Mr Jean-Philippe GOURVENEC

DEPOSITARY
BNP Paribas, Luxembourg branch
60, Avenue J.F. Kennedy
L-1855 Luxembourg, Grand Duchy of Luxembourg

UCI ADMINISTRATION AGENT (DOMICILIARY AGENT, ADMINISTRATIVE AGENT, REGISTRAR & TRANSFER AGENT, PAYING AGENT)
CACEIS Bank, Luxembourg Branch
5, Allée Scheffer
L - 2520 Luxembourg, Grand Duchy of Luxembourg

INVESTMENT MANAGER (**specified in each Sub-Fund)**
- The Management Company, or
- Carmignac Gestion S.A., 24, Place Vendôme, 75001 Paris, France or
- Carmignac UK Ltd, or
- White Creek Capital LLP

INDEPENDENT AUDITOR
PricewaterhouseCoopers, Société coopérative
2, rue Gerhard Mercator
L-2180 Luxembourg, Grand Duchy of Luxembourg

PART A:
THE SUB-FUNDS OF CARMIGNAC PORTFOLIO

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 1

CARMIGNAC PORTFOLIO GRANDE EUROPE	
Launch date	This Sub-Fund was launched on 30 June 1999.
Investment objective	The Sub-Fund's objective is to outperform its reference indicator over a recommended investment horizon of five years. In addition, the Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference indicator	The reference indicator is the MSCI Europe NR Index (Bloomberg ticker: NDDUE15). The MSCI Europe NR Index captures large and mid cap representation across 15 developed markets countries in Europe. Further information on the index, how it is composed and calculated is available on the index providers' internet site at www.msci.com. The Sub-Fund's investment universe is at least partly derived from the reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the reference indicator. There is no limit set on the level of such deviation. Further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment strategy	**Equity strategy** The Sub-Fund invests at least 75% of its assets in equities in the European Economic Area. The Sub-Fund may also be invested up to 25% of its assets in equities in the OECD countries outside of the European Economic Area. In order to achieve its investment objective, the Sub-Fund seeks to invest in companies that exhibit strong reinvestment rates and recurrent profitability. In addition, the Sub-Fund adopts a socially responsible approach using both positive and negative screening to identify companies with long term sustainable growth criteria. Extensive fundamental analysis of the company financial statements and other qualitative sources of information is carried out to establish the company's growth prospects and potential inclusion in the portfolio. Final stock selection is completely discretionary and relies on the fund manager's expectations and financial and extra financial analysis. The investment strategy is followed through a portfolio of direct investments in securities. The investment strategy may, to a lesser extent, use derivatives on equity, foreign exchange, fixed income and credit markets. **Foreign exchange strategy** Investments on the foreign exchange market, which depend on expectations of changes in different currencies, are determined by the currency allocation between the various regions through exposure generated by direct investments in securities denominated in foreign currencies or directly through currency derivatives. **Fixed income and credit strategy** The Sub-Fund may also invest in bonds, debt securities or money market instruments denominated in a foreign currency or euro. These investments are made for diversification purposes. Investments on fixed income and

	credit markets are also chosen based on an analysis of the monetary policies of the various central banks, financial research on the solvency of the issuer, and for portfolio construction purposes. This determines the Sub-Fund's overall level of fixed income and credit exposure. The Sub-Fund invests on all international markets.
Sustainable investment	**The Sub-fund has a sustainable objective pursuant to article 9 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the sustainable objective of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Equities** The Sub-Fund invests at least 75% of its net assets in equities in the European Economic Area. The Sub-Fund may invest also up to 25% in equities of the OECD countries outside of the European Economic Area. The portion of assets invested in equities of emerging market countries may not exceed 10% of the Sub-Fund's net assets. **Debt securities and money market instruments** The Sub-Fund may invest up to 25% of its assets in debt securities (e.g. fixed and/or floating rate, government and corporate bonds) and/or money market instruments without restrictions in terms of duration or allocation between private and public issuers. Up to 10% of the Sub-Fund's net assets may be invested in bonds with a rating below investment grade. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The Sub-Fund may also invest in unrated bonds. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. If pursuant to such analysis a debt security is assigned an internal rating below investment grade, it is then subject to the limit shown above. The Sub-Fund may invest in Euro-zone and/or international convertible bonds. The Sub-Fund may invest in non-leveraged exchange-traded commodities (ETC) traded on regulated or organised Eurozone and/or international markets in order to gain exposure to commodities, including precious metals. Investment in ETC is authorised only to the extent that such assets are settled in cash. Global exposure of the Sub-Fund to commodities through all eligible assets is limited to 10% of the net assets. **Derivatives** In pursuit of the investment objective, the Sub-Fund may use derivatives for hedging, exposure or arbitrage purposes, such as options (vanilla, barrier, binary), futures and forwards, swaps (including performance swaps) CDS (credit default swaps), CDS indices, swaptions and CFD (contracts for difference) on one or more underlying assets. In relation to the markets in which the Sub-Fund invests, the manager invests in futures traded on regulated, organised or OTC Euro-zone and international markets. For additional information on CDS and the related risk, please refer to section "Description of Risks" of this prospectus. These derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio's overall constraints: - equities; - currencies; - fixed income; - dividends; - credit; - volatility and variance (up to 10% of the net assets); - commodities (within the global exposure limit of 10% of the net assets through eligible assets); and - ETF (financial instruments). The use of derivatives is an integral part of the principal policy and they make a significant contribution to the realisation of the investment objective. The derivatives and derivatives strategies' contributions to the Sub-Fund's performance are the following, in descending orders from the highest to the lowest: equity derivatives, currency derivatives, "long/short" and "short only" equities, "fixed income arbitrage" and "short only" bonds, volatility derivatives, dividend derivatives, commodity derivatives, interest rate derivatives, "long/short" and "short only" currencies.

	Securities with embedded derivatives The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, p-notes, convertible bonds, or subscription certificates) traded on regulated, organised or over-the-counter Eurozone and/or international markets. In all cases, the amounts invested in securities with embedded derivatives, excluding contingent convertible bonds, may not exceed 10% of the net assets. The Sub-Funds may also invest up to 10% of its net assets in contingent convertible bonds ("CoCos") (and incur specific risks associated as further described in point 25.2. of part B of the prospectus). **UCIs, investment funds, trackers and Exchange Traded Funds (ETF)** The portfolio manager may invest up to 10% of the net assets in units or shares of UCITS or other UCIs. The Sub-Fund may invest in funds managed by Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds. **Deposits and cash** The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus. The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. **Cash borrowings** The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 5% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than 5 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities and other assets in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: equity risk, currency risk, liquidity risk, ESG risk, counterparty risk, risks of leverage, risk of capital loss and risk associated with high-yield securities and sustainability risk. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.** Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not be invested in the best-performing markets at all times. **Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.**
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund partially to Carmignac UK Ltd, and partially to Carmignac Gestion S.A. in Paris (France).

Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the VaR (Value at Risk) relative to a reference portfolio (the Sub-Fund's reference indicator will be its reference portfolio). The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 200% but may be higher under certain conditions. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for all types of investors, be they natural persons or legal entities, seeking to diversify their investment via international stocks. Given the exposure of the Sub-Fund to the equity market, the recommended investment period is over 5 years. **The attention of shareholders resident in France for tax purposes is drawn to the fact that the Sub-fund is eligible for the French equity savings plan (Plan d'épargne en actions; or PEA), meaning that a minimum of 75% of the portfolio is permanently invested in securities or rights eligible for the PEA.** Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU0099161993	Accumulation	All	None
A CHF Acc Hdg	CHF hedged	LU0807688931	Accumulation	All	None
A USD Acc Hdg	USD hedged	LU0807689079	Accumulation	All	None
A EUR Ydis	EUR	LU0807689152	Distribution (annual)	All	None
E EUR Acc	EUR	LU0294249692	Accumulation	All	None
F EUR Acc	EUR	LU0992628858	Accumulation	Authorised investors**	None
F EUR Ydis	EUR	LU2139905785	Distribution (annual)	Authorised investors**	None
FW EUR Acc	EUR	LU1623761951	Accumulation	Authorised investors**	None
FW GBP Acc	GBP	LU2206982626	Accumulation	Authorised investors**	None
FW USD Acc Hdg	USD hedged	LU2212178615	Accumulation	Authorised investors**	None
I EUR Acc	EUR	LU2420652633	Accumulation	Authorised Institutional investors***	EUR 10,000,000***** (initial subscription only)
IW EUR Acc	EUR	LU2420652807	Accumulation	Authorised Institutional investors***	EUR 10,000,000***** (initial subscription only)
X2 CAD Ydis Hdg	CAD	LU2772084070	Distribution (annual)	Authorised investors****	None
X2 CAD Acc Hdg*	CAD		Accumulation	Authorised investors****	CAD 5,000,000***** (initial subscription only)

* This share has not been launched at the date of publication of the prospectus. The shares are launched at the management company's discretion.

** Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

*** Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.
**** Accessible to selected Institutional investors investing on a proprietary basis as authorised by the Management Company on a discretionary basis.
***** The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in CHF are issued at the initial price of CHF 100; Shares in USD are issued at the initial price of USD 100; Shares in CAD are issued at the initial price of CAD 100; Shares in GBP are issued at the initial price of GBP 100; Shares in EUR are issued at the initial price of EUR 100, except for X Shares in EUR which are issued at the initial price of EUR 10000 and A2 shares which are issued at the initial price of EUR 10.

Net Asset Value (NAV) Valuation Day	Calculated daily in CHF, EUR, GBP, USD and CAD on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES

	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee[2]**	**Performance Fees[3]**
A	**Max. 4%**	**0**	**Max. 1%**	**Max. 1.50%**	**Max. 0.30%**	**Yes**
E	**0**	**0**	**0**	**Max. 2.25%**	**Max. 0.30%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.85%**	**Max. 0.30%**	**Yes**
FW	**0**	**0**	**0**	**Max. 1.05%**	**Max. 0.30%**	**No**
I	**0**	**0**	**0**	**Max. 0.70%**	**Max. 0.30%**	**Yes**
IW	**0**	**0**	**0**	**Max. 0.85%**	**Max. 0.30%**	**No**
X2	**0**	**0**	**0**	**Max. 0.85%**	**Max. 0.30%**	**Yes**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator.

	The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1.1.2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The reference indicator serving as the basis for calculating the performance fee is MSCI Europe NR index (Bloomberg ticker: NDDUE15).

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 2

CARMIGNAC PORTFOLIO ASIA DISCOVERY	
Launch date	This Sub-Fund was launched on 14 December 2007.
Investment objective	The Sub-Fund's objective is to outperform its reference indicator over a recommended investment horizon of five years. This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy. In addition, the Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can also be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 (the "Carmignac Responsible Investment website").
Reference indicator	The reference indicator is MSCI EM Asia Ex-China IMI 10/40 Capped NR Index (Bloomberg ticker: NU759152). MSCI EM Asia Ex-China IMI 10/40 Capped NR Index captures the performance of small, mid and large-cap companies in Emerging Markets Asia countries excluding China. Emerging Markets Asia countries include: India, Indonesia, Korea, Malaysia, the Philippines, Taiwan and Thailand. Further information on the index, how it is composed and calculated is available on the index provider's internet site at www.msci.com. The Sub-Fund's investment universe is totally independent from the reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment strategy	This Sub-Fund invests in equities of small, medium and large capitalisation companies that have their registered office or carry out the bulk of their business in emerging markets in Asia, without emphasis on business sector. The investment strategy is followed through a portfolio of direct investments in securities. The investment strategy may, to a lesser extent, use derivatives on equity, foreign exchange, fixed income and credit markets. **Equity strategy** The portfolio will be actively exposed to the emerging markets in Asia through the selection of small, medium and large capitalisation companies offering medium- to long-term return prospects and growth potential. These companies are selected based on their fundamentals and competitive advantages (in particular, the quality of their financial structure, future prospects, market position), together with adjustments linked to its reference market. Geographic or sectorial exposure will result from stock selection. The stock selection is performed based on a bottom-up analysis complemented by a fundamental top-down approach. **Foreign exchange strategy** The Sub-Fund may invest on all international foreign exchange markets. These investments on the foreign exchange markets are determined by the currency allocation between the various regions through exposure generated by direct investments in securities denominated in foreign currencies, or directly through currency derivatives.

	Fixed income and credit strategy The Sub-Fund may also invest in bonds, debt securities or money market instruments denominated in foreign currency or in euro, on all international markets. These investments are made for diversification and cash management purposes. Investments on fixed income and credit markets are chosen based on expected international macroeconomic scenarios, an analysis of the monetary policies of the various central banks, and financial research on the solvency of the issuers. This determines the Sub-Fund's overall level of fixed income and credit exposure.
Environmental and social characteristics	**The Sub-Fund promotes environmental and/or social characteristics pursuant to article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the environmental and/or social characteristics of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Equities** At least 60% of the Sub-Fund's net assets are invested in equities and other securities issued in the emerging markets in Asia from all economic sectors. **Debt securities and money market instruments** Up to 40% of the Sub-Fund's net assets may be invested in debt securities (e.g. fixed and/or floating rate bonds) and/or money market instruments. The weighted average rating of the debt instruments held directly by the Sub-Fund or through investment in UCITS and other UCIs shall be at least investment grade according to the main rating agencies. The Sub-Fund may invest in debt instruments rated below investment grade, or which are unrated. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. The rating determined pursuant to such analysis is applied to the weighted average rating. The Sub-Fund may invest in non-leveraged exchange-traded commodities (ETC) traded on regulated or organised Eurozone and/or international markets in order to gain exposure to commodities, including precious metals. Investment in ETC is authorised only to the extent that such assets are settled in cash. Global exposure of the Sub-Fund to commodities through all eligible assets is limited to 10% of the net assets. **Currencies** The Sub-Fund may invest in currencies and currency derivatives in all international currencies. This is done for exposure, relative value or hedging purposes. The exposures to currencies other than the Sub-Fund's valuation currency, including emerging market currencies, generated through direct investments in securities or through derivatives, may differ from that of the reference indicator and/or portfolio of securities alone. **Derivatives** The Sub-Fund may use derivatives (such as futures) traded on regulated, organised or OTC markets globally, for hedging, exposure or arbitrage purposes. The derivative instruments available to the portfolio manager also include forwards, options (simple, barrier, binary), swaps (including performance swaps) and CFD (contracts for difference) on one or more underlying instruments. The risks on which the manager wishes to take a position (either directly or using indices) are the following: - equities; - fixed income; - currencies; - volatility and variance (together not exceeding 10% of the net assets); - commodities (within the global exposure limit through eligible financial assets of 10% of the net assets); and - ETFs (financial instruments). The use of derivatives is an integral part of the principal policy and they make a significant contribution to asset allocation. The derivatives and derivatives strategies' contributions to the Sub-Fund's performance are the following, in descending orders from the highest to the lowest: equity derivatives, currency derivatives, interest rate derivatives, credit derivatives, volatility derivatives, commodity derivatives,

	"long/short" and "short only" equities, "fixed income arbitrage" and "short only" bonds, "long/short" and "short only" currencies, "long/short" and "short only" credit, dividend derivatives. **Securities with embedded derivatives** The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, participation notes, convertible bonds or subscription certificates) traded on regulated, organised or OTC markets globally. In all cases, the amounts invested in securities with embedded derivatives, excluding contingent convertible bonds, may not exceed 20% of the net assets. The Sub-Funds may also invest up to 10% of its net assets in Contingent Convertible Bonds ("CoCos") (and incur specific risks associated as further described in point 25.2. of part B of the prospectus). **UCIs, investment funds, trackers and Exchange Traded Funds (ETF)** The portfolio manager may invest up to 10% of the net assets in units or shares of UCITS and other UCIs. The Sub-Fund may invest in funds managed by Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds. **Deposits and cash** The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus. The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. The Sub-Fund may hold cash on an ancillary basis, in particular to meet its redemption obligations in relation to investors. **Cash borrowings** The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 5% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than 5 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: equity risk, emerging markets risk, liquidity risk, currency risk, risks of leverage, discretionary risk, risk of capital loss and sustainability risk. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.** Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not be invested in the best-performing markets at all times.

	Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.
Investment Manager	The management of the Sub-Fund is delegated by the Management Company partially to Carmignac Gestion in Paris (France) and partially to Carmignac UK Ltd.
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the VaR (Value at Risk) relative to a reference portfolio (the Sub-Fund's reference indicator will be its reference portfolio). The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 200% but may be higher under certain market conditions. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active and discretionary asset management over a recommended investment period of more than 5 years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".
Adverse impacts	The management company does not consider for this Sub-Fund adverse impacts of investment decisions on sustainability factors in accordance with article 7 paragraph 2 of the of the Sustainable Finance Disclosure Regulation ("the SFDR").

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU0336083810	Accumulation	All	None
A USD Acc Hdg	USD hedged	LU0807689582	Accumulation	All	None
F EUR Acc	EUR	LU0992629740	Accumulation	Authorised investors*	None
FW EUR Acc	EUR	LU1623762256	Accumulation	Authorised investors*	None
FW GBP Acc	GBP	LU0992630086	Accumulation	Authorised investors*	None
I EUR Acc	EUR	LU2420651155	Accumulation	Authorised institutional investors**	EUR 10,000,000*** (initial subscription only)
IW GBP Acc	GBP	LU2427320499	Accumulation	Authorised institutional investors**	EUR 10,000,000*** (initial subscription only)

***** Accessible to (i) Institutional investors investing on a proprietary basis. (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

****** Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.

******* The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in CHF are issued at the initial price of CHF 100; Shares in USD are issued at the initial price of USD 100; Shares in GBP are issued at the initial price of GBP 100; Shares in EUR are issued at the initial price of EUR 100.

Net Asset Value (NAV) Valuation Day	Calculated daily in CHF, EUR, GBP and USD on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public

	holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES						
	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee**	**Performance Fees[3]**
A	**Max. 4%**	**0**	**Max. 1%**	**Max. 2.00%**	**Max. 0.30%**	**Yes**
F	**0**	**0**	**0**	**Max. 1.00%**	**Max. 0.30%**	**Yes**
FW	**0**	**0**	**0**	**Max 1.20%**	**Max. 0.30%**	**No**
I	**0**	**0**	**0**	**Max. 0.85%**	**Max. 0.30%**	**Yes**
IW	**0**	**0**	**0**	**Max. 1.00%**	**Max. 0.30%**	**No**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1.1.2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions.

	The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance. For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The reference indicator serving as the basis for calculating the performance fee is MSCI EM Asia Ex-China IMI 10/40 Capped NR index.

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 3

CARMIGNAC PORTFOLIO GLOBAL BOND	
Launch date	This Sub-Fund was launched on 14 December 2007.
Investment objective	The Sub-Fund's objective is to outperform its reference indicator over a recommended investment horizon of three years. In addition, the Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can also be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 (the "Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference indicator	The reference indicator of this Sub-Fund is JPM Global Government Bond Index (Bloomberg ticker: JNUCGBIG). The JPM Global Government Bond index is a comprehensive indicator for global developed markets local currency treasury bonds. This index consists of regularly traded, fixed-rate, domestic government bonds that are available to international investors. These countries have liquid, stable and actively traded government debt markets, with each country weighted by market capitalization within the index. Further information on the index, how it composed and calculated is available on the index provider's internet site at www.jpmorgan.com. The Sub-Fund's investment universe is mostly independent from the reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus. This index does not strictly define the investment universe but allows investors to assess the risk profile that they can expect when investing in the fund.
Investment strategy	The Sub-Fund invests in global sovereign bonds, corporate bonds, money market instruments and, to lesser extent, in equity, denominated in foreign currencies or euro. The Sub-Fund's investment strategy evolves according to market trends and relies on specific strategic asset allocation. Within a global investment universe, the Sub-Fund offers active management of government bonds, credit bonds and currency markets. The investment strategy is followed through a portfolio of direct investments in corporate and government securities. The Sub-Fund can implement currency and derivative strategies with the same objective. **Fixed income and credit strategy** The fixed income strategy is largely based on a central macro-economic scenario, complemented by detailed fundamental and technical analysis of the countries and companies in which the Sub-Fund may invest. The following seven (7) main sources of added value are used to seek outperformance: - the overall modified duration of the portfolio, with modified duration defined as the change in portfolio capital (as %) for a change in interest rates of 100 basis points (as %). The modified duration of the portfolio may fluctuate between -4 and +10; - the allocation of modified duration between the different bond markets; - the allocation of modified duration between the different segments of the yield curve; - credit allocation on corporate bonds and emerging market debt; - issuer & stock selection; - currency exposure; and - trading.

	Foreign exchange strategy The portfolio manager's decisions regarding exposure to the foreign exchange market are made on the basis of a global macroeconomic analysis, in particular of the outlook for growth, inflation and monetary and fiscal policy of the different economic zones and countries. This determines the Sub-Fund's overall level of currency exposure. The Sub-Fund invests on all international markets. These investments on the foreign exchange market, which depend on expectations of changes in different currencies, are determined by: The currency allocation between the various regions through exposure generated by direct investments in securities denominated in foreign currencies or directly through currency derivatives. For all of these strategies, in addition to long positions: - the portfolio manager may also open short positions on underlying assets eligible for the portfolio if he or she feels that the market is overvaluing these underlying assets, using eligible instruments; - The portfolio manager also pursues relative value strategies by combining long and short positions on underlying assets eligible for the portfolio. Short positions will be achieved through the use of financial derivative instruments only, as listed in the "Derivatives" paragraph below. The investment universe for all strategies includes emerging markets within the limits stipulated in the section "Description of asset categories and financial contracts as well as their contribution to the investment objective being achieved".
Environmental and social characteristics	**The Sub-Fund promotes environmental and/or social characteristics pursuant to article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the environmental and/or social characteristics of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Debt securities and money market instruments** The Sub-Fund invests mainly in international debt securities. The weighted average rating of the debt instruments held directly by the Sub-Fund or through investment in UCITS or other UCIs shall be at least investment grade according to the main rating agencies. The Sub-Fund may invest in debt instruments rated below investment grade, or which are unrated. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. The rating determined pursuant to such analysis is applied to the weighted average rating. The Sub-Fund may also invest up to 5% of its net assets in Distressed Securities and incur the specific risks associated (for further information on Distressed Securities please refer to Part B point 25.3 of the prospectus). The Sub-Fund may invest in inflation-indexed bonds. Investments in China may be performed, inter alia, directly on the China Interbank Bond Market ("CIBM"). The Sub-Fund may invest in non-leveraged exchange-traded commodities (ETC) traded on regulated or organised Eurozone and/or international markets in order to gain exposure to commodities, including precious metals. Investment in ETC is authorised only to the extent that such assets are settled in cash. Global exposure of the Sub-Fund to commodities through all eligible assets is limited to 10% of the net assets. **Currencies** The exposures to currencies other than the Sub-Fund's valuation currency, including emerging market currencies, are generated through direct investments in securities or through derivatives and may differ from that of the reference indicator and/or portfolio of securities alone. The Sub-Fund uses them for exposure, relative value or hedging purposes. **Derivatives** In pursuit of the investment objective, the Sub-Fund may use derivatives for hedging, exposure or arbitrage purposes on one or more underlying assets. In relation to the markets in which the Sub-Fund invests, the manager invests in futures traded on regulated, organised or OTC Euro-zone and international markets.

The derivative instruments available to the portfolio manager include futures, forwards, forward exchange contracts, options (simple, barrier, binary), swaps (including performance swaps), CDS (credit default swaps), CDS indices, swaptions and CFD (contracts for difference), involving one or more risks and/or underlying instruments (securities, indices, baskets) in which the portfolio manager may invest. For additional information on CDS and the related risk, please refer to section "Description of Risks" of this prospectus.
The Sub-Fund may use total return swaps for exposure or hedging purposes. The exposure to total return swaps is expected to be 10% of the net assets of the Sub-Fund. Said exposure may be greater but is limited to 20% of the net assets of the Sub-Fund. For additional information on total return swaps, please refer to section 3.3. "Use of Total Return Swaps" in Part B of this prospectus.

These derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio's overall constraints:
- equities;
- fixed income;
- credit (up to 30% of the net assets);
- currencies;
- volatility and variance (up to 10% of the net assets);
- commodities (within the global exposure limit through eligible assets of 10% of the net assets); and
- ETF (financial instruments).

The use of derivatives is an integral part of the principal policy and they make a significant contribution to the realisation of the investment objective. The derivatives and derivatives strategies' contributions to the Sub-Fund's performance are the following, in descending orders from the highest to the lowest: currency derivatives, interest rate derivatives, credit derivatives, "fixed Income arbitrage" and "short only" bonds, "long/short" and "short only" currencies, "long/short" and "short only" credit, volatility derivatives, commodity derivatives.

Securities with embedded derivatives
The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, p-notes, convertible bonds or subscription certificates) traded on regulated, organised or over-the-counter Eurozone and/or international markets.

The Sub-Fund may invest up to 20% of its net assets in contingent convertible bonds ("CoCos") (and incur specific risks associated as further described in point 25.2. of part B of the prospectus).

The Sub-Fund may invest up to 10% of its net assets in securitisation instruments, particularly Asset Backed Securities (ABS), Residential Mortgage-Backed Securities (RMBS), Commercial Mortgage-Backed Securities (CMBS), Collateralised Loan Obligations (CLO), Credit Linked Notes (CLN) and Enhanced Equipment Trust Certificates (EETC).

Equities
Up to 10% of the Sub-Fund's assets may be exposed to equities, either directly or via convertible bonds.

UCIs, investment funds, trackers and Exchange Traded Funds (ETF)
The portfolio manager may invest up to 10% of the net assets in units or shares of UCITS and/or other UCIs.

The Sub-Fund may invest in funds managed by Management Company or an affiliated company.
The Sub-Fund may use trackers, listed index funds and exchange traded funds.

Deposits and cash
The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus.
The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors.

	Cash borrowings The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 20% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than 3 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: currency risk, equity risk, interest rate risk, credit risk (furthermore, a more specific credit risk linked to the use of credit derivatives exists), emerging markets risk, liquidity risk, risks of leverage, volatility risk, counterparty risk, risk of capital loss, specific risks associated with investments in China, risk associated with high-yield securities and sustainability risk. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.** In addition to the risks described above, investors are exposed to a higher level of credit risk due to the Sub-Fund's acquisition of ABS/MBS. As these securities are backed by debts, the impairment of the value of the surety Underlying the security, such as the non-payment of loans, may be reflected in a reduction in the value of the security itself and generate a loss for the Sub-Fund. Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not be invested in the best-performing markets at all times. **Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.**
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the VaR (Value at Risk) relative to a reference portfolio (the Sub-Fund's reference indicator will be its reference portfolio). The expected level of leverage calculated on the basis of the sum of notional values approach is 500% but may be higher under certain market conditions. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than 3 years. Units of this Sub-Fund have not been registered in accordance with the US

	Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, in the United States or on behalf of or for the benefit of a U.S. person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU0336083497	Accumulation	All	None
Income A EUR*, as from 12/9/2025 **A EUR Minc***	EUR	LU1299302098	Distribution (monthly)	All	None
A EUR Ydis	EUR	LU0807690168	Distribution (annual)	All	None
A CHF Acc Hdg	CHF hedged	LU0807689822	Accumulation	All	None
A USD Acc Hdg	USD hedged	LU0807690085	Accumulation	All	None
E EUR Acc	EUR	LU1299302254	Accumulation	All	None
Income E USD Hdg* as from 12/9/2025 **E USD Minc Hdg***	USD hedged	LU0992630326	Distribution (monthly)	All	None
F EUR Acc	EUR	LU0992630599	Accumulation	Authorised investors**	None
F EUR Ydis	EUR	LU1792392216	Distribution (annual)	Authorised investors**	None
F CHF Acc Hdg	CHF hedged	LU0992630755	Accumulation	Authorised investors**	None
F USD Acc Hdg	USD hedged	LU0992630912	Accumulation	Authorised investors**	None
FW EUR Acc	EUR	LU1623762769	Accumulation	Authorised investors**	None
FW GBP Acc	GBP	LU0992630839	Accumulation	Authorised investors**	None
FW GBP Acc Hdg	GBP Hedged	LU0553413385	Accumulation	Authorised investors**	None
I EUR Acc	EUR	LU2420651825	Accumulation	Authorised institutional investors***	EUR 10,000,000***** (initial subscription only)
IW EUR Acc	EUR	LU2420652047	Accumulation	Authorised institutional investors***	EUR 10,000,000***** (initial subscription only)
Z EUR Acc	EUR	LU2931970912	Accumulation	Investment funds managed by Carmignac****	None

* The Income shares have an annual dividend target which is established in advance annually for each calendar year. The currently applicable annual distribution target is available on the management company website. A monthly or quarterly interim dividend is paid to investors. If the Sub-Fund's performance is unsatisfactory, the capital initially invested may be paid out until a new dividend target has been set. Undistributed performance is accumulated.

** Accessible to (i) Institutional investors investing on a proprietary basis. (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

*** Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.

**** Accessible only to investment funds managed by Carmignac.

***** The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in CHF are issued at the initial price of CHF 100; Shares in USD are issued at the initial price of USD 100; Shares in GBP are issued at the initial price of GBP 100; Shares in EUR are issued at the initial price of EUR 100.

Net Asset Value (NAV) Valuation Day	Calculated daily in CHF, EUR, GBP and USD on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES						
	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee[2]**	**Performance Fees[3]**
A	**Max. 2%**	**0**	**Max. 1%**	**Max. 1.00%**	**Max. 0.20%**	**Yes**
E	**0**	**0**	**0**	**Max. 1.40%**	**Max. 0.20%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.60%**	**Max. 0.20%**	**Yes**
FW	**0**	**0**	**0**	**Max 0.80%**	**Max. 0.20%**	**No**
I	**0**	**0**	**0**	**Max. 0.50%**	**Max. 0.20%**	**Yes**
IW	**0**	**0**	**0**	**Max. 0.60%**	**Max. 0.20%**	**No**
Z	**0**	**0**	**0**	**0**	**Max. 0.20%**	**No**
1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.					
2	An fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.					
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1.1.2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically					

	deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The Reference indicator serving as the basis for calculating the performance fee is the JPM Global Government Bond Index.

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 4

CARMIGNAC PORTFOLIO FLEXIBLE BOND	
Launch date	This Sub-Fund was created on 14 December 2007.
Investment Objective	The Sub-Fund's objective is to outperform its reference indicator over a recommended minimum investment period of 3 years. In addition, the Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference indicator	The reference indicator is ICE BofA Euro Broad Market Index (Bloomberg ticker: EMU0). ICE BofA Euro Broad Market Index tracks the performance of euro denominated investment grade debt publicly issued in the eurobond or Euro member domestic markets, including euro- sovereign, quasi-government, corporate, securitized and collateralized securities. Further information on the indices, how it is composed and calculated is available on the index provider's internet site at www.theice.com. The Sub-Fund's investment universe is at least partly derived from the Reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the Reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the Reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment strategy	The Sub-Fund employs a flexible fixed income investment strategy that aims to take advantage of the variety and diversity of investment opportunities across the fixed income universe globally. The portfolio is managed with a total return mindset to participate in rising markets, while implementing a defensive approach, by hedging the portfolio to market risks, in declining markets. The Sub-Fund may invest in euro and non-euro denominated debt securities. The currency risk resulting from non-euro denominated investments will typically be hedged to euro. The Sub-Fund implements a fundamental top-down approach, which reflects the investment team's views and predictions, through a fundamental global macroeconomic analysis, complemented by a bottom-up approach, which reflects the investment manager's strongest convictions on fixed income markets. The Sub-Fund can explore the full spectrum of the fixed income universe, and may invest across all segments globally, including sovereign debt (developed and emerging markets), credit (investment grade, high yield, financials and convertibles) and money market instruments. In order to hedge its assets and/or achieve its investment objective, the Sub-Fund may use financial derivative instruments. In this context, the Sub-Fund may obtain exposure to, or synthetically hedge, the risks relating to indices, business sectors or geographic region. To this end, the Sub-Fund may take up positions with a view to hedging the portfolio against certain risks (interest rate, credit or currency) or exposing itself to interest rate and credit risks. Strategies that will be implemented through the use of financial derivative instruments: - general hedging of certain risks (interest rate, credit, currency); - exposure to interest rate and credit; - reconstitution of a synthetic exposure to assets and risks (interest rate, credit); - increase in exposure to the market; duration positioning: active management of the duration of the aggregate portfolio as well as of specific yield curves. Typically increasing the duration on a given region/segment on which a decrease in bond yields is expected and conversely reducing the duration to a given region/segment on which an increase in bond yields is expected;

	- yield curve positioning: yield curve strategies in order to benefit from the difference in evolution of yields for different maturities and from nonparallel shifts in the yield curve (steepening/flattening); and. - curvature positioning: curvature strategies in order to benefit from a deformation and a movement in the shape of a yield curve.
Environmental and social characteristics	**The Sub-Fund promotes environmental and/or social characteristics pursuant to article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the environmental and/or social characteristics of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Debt securities and money market instruments** The Sub-Fund may directly invest in negotiable debt securities, money market instruments, and fixed or floating rate, covered or uncovered bonds, which may be linked to inflation in the Eurozone and/or international markets. The Sub-Fund may invest in debt securities issued by corporate or government issuers. The investments could be denominated in currencies other than the base currency of the Sub-Fund. The Sub-Fund may invest up to 100% of its net assets in debt securities and Money Market Instruments of any kind, from all geographical areas. The cumulative exposure to below investment grade corporate bonds and emerging markets debt securities will not exceed 50% of the Sub-Fund's net assets. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The Sub-Fund may also invest in unrated debt securities. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. If pursuant to such analysis a debt security is assigned an internal rating below investment grade, it is then subject to the limits shown above. The Sub-Fund's Modified Duration may vary from -3 to 8. The Sub-Fund may also invest up to 4% of its net assets in Distressed Securities and incur the specific risks associated (for further information on Distressed Securities please refer to Part B point 25.3 of the prospectus). The Investments in China may be performed, inter alia, directly on the China Interbank Bond Market ("CIBM"). The Sub-Fund may invest in non-leveraged exchange-traded commodities (ETC) traded on regulated or organised Eurozone and/or international markets in order to gain exposure to commodities, including precious metals. Investment in ETC is authorised only to the extent that such assets are settled in cash. Global exposure of the Sub-Fund to commodities through all eligible assets is limited to 10% of the net assets. **Equities** The Sub-Fund does not actively pursue investment in equities. Nevertheless, the Sub-Fund may be invested, either directly or indirectly, in equity securities, within the limit of 10% of its net assets. Especially, within the limit of 10% of its net assets, the Sub-Fund may be exposed to equity markets through convertible bonds. In exceptional cases resulting from the restructuring of securities held in the portfolio, the Sub-Fund may temporarily hold equities up to 10% of its net assets which would typically be sold as soon as practicable in the best interest of shareholders. **Currencies** The Sub-Fund may hold up to 100% of its net assets in securities issued in currencies other than the euro. The currency risk resulting from these investments will be typically hedged. Nevertheless, a residual exposure may remain. **Derivatives** The Sub-Fund may use derivatives for hedging, exposure or arbitrage purposes, such as options (vanilla, barrier, binary), futures and forwards, and swaps (including performance swaps) on one or more underlying. In relation to the markets in which the Sub-Fund invests, the manager invests in futures traded on regulated, organised or OTC Euro-zone and international markets. The Sub-Fund may take part in the credit derivatives market by concluding credit default swaps (CDS) on single name underlying and credit indices, including iTraxx and CDX, in order to sell or purchase protection.

The investment in credit derivatives is limited to 30% of the Sub-Fund's net assets. For additional information on CDS and the related risk, please refer to section "Description of Risks" of this prospectus.

The Sub-Fund may use total return swaps for exposure or hedging purposes. The exposure to total return swaps is expected to be 10% of the net assets of the Sub-Fund. Said exposure may be greater but is limited to 20% of the net assets of the Sub-Fund. For additional information on total return swaps, please refer to section 3.3. "Use of Total Return Swaps" in Part B of this prospectus.

The risks on which the manager wishes to take a position (either directly or using indices) are the following: credit, interest rates, currencies, equities, ETF, and indices – on all of the aforementioned asset classes, as well as commodities (within the global exposure limit through eligible assets of 10% of the net assets).
The use of derivatives is an integral part of the principal policy and they could make a significant contribution to the realisation of the investment objective. The contributions of derivatives to the Sub-Fund's performance are the following, in descending order from the highest to the lowest: interest rate derivatives, credit derivatives, currency derivatives, equity derivatives.

Derivative transactions are concluded with counterparties selected by the Management Company in accordance with the Best Execution Policy/Best Selection Policy and the procedure for approving new counterparties.

Securities with embedded derivatives

The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, p-notes, convertible bonds, EMTN, or subscription certificates) traded on regulated, organised or over-the-counter Eurozone and/or international markets.

In all cases, the amounts invested in securities with embedded derivatives, excluding contingent convertible bonds, may not exceed 20% of the net assets.

The Sub-Funds may also invest up to 20% of its net assets in contingent convertible bonds ("CoCos") (and incur specific risks associated as further described in point 25.2. of part B of the prospectus).

The Sub-Fund may invest up to 10% of its net assets in securitisation instruments, and in particular Asset Backed Securities (ABS), Residential Mortgage-Backed Securities (RMBS), Commercial Mortgage-Backed Securities (CMBS), Collateralised Loan Obligations (CLO), Credit Linked Notes (CLN) and Enhanced Equipment Trust Certificates (EETC).

UCIs, investment funds, trackers and Exchange Traded Funds (ETF)

This Sub-Fund may acquire units of other undertakings for collective investment in transferable securities (UCITS) and/or open-ended undertakings for collective investment (UCIs) provided that no more than 10% of its net asset value is invested in the units of these UCITS and/or UCIs.

The Sub-Fund may invest in funds managed by the Management Company or an affiliated company.
The Sub-Fund may use trackers, listed index funds and exchange traded funds.

Securities Financing Transactions

For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions").

The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 20% of its net assets to securities lending.

For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.

Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than 3 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: interest rate risk, credit risk (furthermore, a more specific credit risk linked to the use of credit derivatives exists), liquidity risk, volatility risk, currency risk, equity risk, risks of leverage, counterparty risk, risk of capital loss, specific risks associated with investments in China, ABS/MBS risk and risk associated with high-yield securities and sustainability risk. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.** Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not always be invested in the best-performing markets. **Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.**
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the absolute VaR (Value at Risk) method. The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 2000% but may be higher under certain conditions. To the extent the level of leverage will exceed 500% and may reach the 2000% limit (or be higher), the Sub-Fund will only use short term interest rate derivatives for this additional part. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than 3 years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, in the United States or on behalf of or for the benefit of a U.S. person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU0336084032	Accumulation	All	None
Income A EUR*, as from 12/9/2025 **A EUR Minc***	EUR	LU1299302684	Distribution (monthly)	All	None
A EUR Ydis	EUR	LU0992631050	Distribution (annual)	All	None
A CHF Acc Hdg	CHF hedged	LU0807689665	Accumulation	All	None
A USD Acc Hdg	USD hedged	LU0807689749	Accumulation	All	None
E EUR Acc	EUR	LU2490324337	Accumulation	All	None
Income F EUR*, as from 12/9/2025 **F EUR Qinc***	EUR	LU3060210526	Distribution (quarterly)	Authorised investors**	None
F EUR Acc	EUR	LU0992631217	Accumulation	Authorised investors**	None
F CHF Acc Hdg	CHF hedged	LU0992631308	Accumulation	Authorised investors**	None
F USD Acc Hdg	USD hedged	LU2427321547	Accumulation	Authorised investors**	None

FW EUR Acc	EUR	LU2490324501	Accumulation	Authorised investors**	None
IW EUR Acc	EUR	LU2490324410	Accumulation	Authorised Institutional investors***	EUR 10,000,000***** (initial subscription only)
Z EUR Acc	EUR	LU2970271743	Accumulation	Investment funds managed by Carmignac ****	None

* The Income shares have an annual dividend target which is established in advance annually for each calendar year. The currently applicable annual distribution target is available on the management company website. A monthly or quarterly interim dividend is paid to investors. If the Sub-Fund's performance is unsatisfactory, the capital initially invested may be paid out until a new dividend target has been set. Undistributed performance is accumulated.

** Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

*** Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.

**** Accessible only for investment funds managed by Carmignac.

***** The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in EUR are issued at the initial price of EUR 1,000; Shares in CHF are issued at the initial price of CHF 1,000; Shares in USD are issued at the initial price of USD 1,000, except for A2 shares which are issued at the initial price of EUR 10.

Net Asset Value (NAV) Valuation Day	Calculated daily in CHF, EUR, GBP and USD on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES

	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee**	**Performance Fees[3]**
A	**Max. 1%**	**0**	**Max. 1%**	**Max. 1.00%**	**Max. 0.20%**	**Yes**
E	**0**	**0**	**0**	**Max. 1.40%**	**Max. 0.20%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.55%**	**Max. 0.20%**	**Yes**
FW	**0**	**0**	**0**	**Max 0.80%**	**Max. 0.20%**	**No**
IW	**0**	**0**	**0**	**Max 0.75%**	**Max. 0.20%**	**No**
Z	**0**	**0**	**0**	**0**	**Max. 0.20%**	**No**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the

	actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1.1.2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The Reference indicator serving as the basis for calculating the performance fee is the ICE BofA Euro Broad Market Index (Bloomberg ticker: EMU0).

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 5

CARMIGNAC PORTFOLIO EMERGING PATRIMOINE	
Launch date	This Sub-Fund was launched on 31 March 2011.
Investment objective	The Sub-Fund's objective is to outperform its reference indicator over a recommended investment horizon of five years. In addition, the Sub-Fund seeks to invest sustainably and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference indicator	The reference indicator is composed of the following components: - 40% MSCI EM NR Index. (Bloomberg ticker: NDUEEGF). - 40% JPM GBI - EM Global Diversified Composite Index (Bloomberg ticker: JGENVUEG). - 20% €STR capitalised index (Bloomberg ticker: ESTRONCAPL). The MSCI EM NR Index is an internationally recognised equity index for global emerging markets, capturing large and mid-cap companies across 26 emerging countries. The JPM GBI - EM Global Diversified Composite Index is a widely used index and provides a comprehensive measure of regularly traded, fixed rate, local currency denominated emerging market government debt that are available to international investors. ESTER (also "€STR") Capitalised index is a Euro short-term interest rate published by the European Central Bank which reflects the wholesale euro unsecured overnight borrowing costs of euro area banks. Further information on the indices and interest rates, how they are composed and calculated is available on the index providers' internet sites at www.msci.com, www.jpmorgan.com and www.ecb.europa.eu. The Sub-Fund's reference indicator is rebalanced quarterly. The Sub-Fund's investment universe is totally independent from the reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment strategy	This Sub-Fund invests mainly in equities and debt securities of emerging markets or those issued by companies/issuers that have their registered office or carry out the bulk of their business in emerging markets). The investment strategy is followed through a portfolio of direct investments in securities. The investment strategy may use derivatives on interest rates, credit, equity and foreign exchange markets, without restriction in terms of sector, type or market capitalization. The asset allocation between the different asset classes (equities, fixed income, credit, and currencies) or investment fund categories (such as equities, balanced, bonds, and money market) relies on fundamental analysis of the global macroeconomic environment and its indicators (such as growth, inflation, and deficits) and may vary according to the portfolio manager's expectations. **Fixed income and credit strategy** Four major sources of added value are used to seek outperformance: - the overall modified duration of the portfolio, with modified duration defined as the change in portfolio capital (as %) for a change in interest rates of 100 basis points (as %). The portfolio's modified duration to interest rates may fluctuate between -4 and +10. - the allocation of modified duration between the different bond markets; - the allocation of modified duration between the different segments of the yield curve; - credit allocation on government and corporate bonds

	Equity strategy The equity strategy is determined based on a macroeconomic analysis and a detailed financial analysis of the companies on which the Sub-Fund may open positions, whether long or short. This determines the Sub-Fund's overall level of equity exposure. Stock selection relies on detailed financial analysis, company visits, regular meetings with management and close monitoring of daily news and business developments. Geographic or sectorial exposure shall result from stock selection. **Foreign exchange strategy** The portfolio manager's decisions regarding exposure to the foreign exchange market are made based on a global macroeconomic analysis, particularly the outlook for growth, inflation and monetary and fiscal policy of the different economic zones and countries. This determines the Sub-Fund's overall level of currency exposure. These investments on the foreign exchange market, which depend on expectations of changes in different currencies, are determined by: the currency allocation between the various regions through exposure generated by direct investments in securities denominated in foreign currencies or directly through currency derivatives. For all these strategies, in addition to long positions: - the portfolio manager may also open short positions on underlying assets eligible for the portfolio on a discretionary basis; and - the portfolio manager also pursues relative value strategies by combining long and short positions on underlying assets eligible for the portfolio. Short positions will be achieved by financial derivative instruments only, as listed in the "Derivatives" paragraph below.
Environmental and social characteristics	**The Sub-Fund promotes environmental and/or social characteristics pursuant to article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the environmental and/or social characteristics of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Debt securities and money market instruments** At least 40% of the Sub-Fund's net assets are invested in negotiable debt securities, money market instruments, and fixed or floating rate, covered or uncovered bonds, which may be linked to inflation in the emerging, Eurozone and/or international markets. The Sub-Fund may invest in corporate or government bonds without allocation restrictions between corporate and government issuers, nor on the maturity or duration of assets chosen. The weighted average rating of the debt instruments held directly by the Sub-Fund or through investment in UCITS or other UCIs shall be at least investment grade according to the main rating agencies. The Sub-Fund may invest in debt instruments rated below investment grade, or which are unrated. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The Sub-Fund may also invest in unrated debt securities. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. The rating determined pursuant to such analysis is applied to the weighted average rating. The Sub-Fund may also invest up to 5% of its net assets in Distressed Securities and incur the specific risks associated (for further information on Distressed Securities please refer to Part B point 25.3 of the prospectus). The Sub-Fund may invest in inflation-indexed bonds. Investments in Chinese domestic markets may not exceed 30% of the net assets (common investment limit for both equities, debt instruments and monetary instruments). The Investments in China may be performed, inter alia, directly on the China Interbank Bond Market ("CIBM"). The Sub-Fund may invest in non-leveraged exchange-traded commodities (ETC) traded on regulated or organised Eurozone and/or international markets in order to gain exposure to commodities, including

precious metals. Investment in ETC is authorised only to the extent that such assets are settled in cash. Global exposure of the Sub-Fund to commodities through all eligible assets is limited to 10% of the net assets.

Equities

Through direct security investments or derivatives, up to 50% of the Sub-Fund's net assets are exposed to international equity markets, including emerging markets.

At least 25% of the net assets of the Sub-Fund shall be invested in equities. The Sub-Fund invests in stocks of any capitalisation from any sector.

Currencies

The exposures to currencies other than the Sub-Fund's valuation currency, including emerging market currencies, are generated through direct investments in securities or through derivatives and may differ from that of the reference indicator and/or portfolio of securities alone.
The Sub-Fund uses them for exposure, relative value or hedging purposes.

Derivatives

In order to achieve its investment objective, the Sub-Fund will invest in futures traded on Eurozone, emerging and international regulated, organised or over-the-counter markets for exposure, relative value or hedging purposes.

The derivative instruments available to the portfolio manager include futures, forwards, forward exchange contracts, options (simple, barrier, binary), swaps (including performance swaps), CDS (credit default swaps), CDS indices, swaptions and CFD (contracts for difference), involving one or more risks and/or underlying instruments (securities, indices, baskets) in which the portfolio manager may invest. For additional information on CDS and the related risk, please refer to section "Description of Risks" of this prospectus.

The Sub-Fund may use total return swaps for exposure or hedging purposes. The exposure to total return swaps is expected to be 10% of the net assets of the Sub-Fund. Said exposure may be greater but is limited to 20% of the net assets of the Sub-Fund. For additional information on total return swaps, please refer to section 3.3. "Use of Total Return Swaps" in Part B of this prospectus.

These derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio's overall constraints:

- equities;
- fixed income;
- credit (up to 30% of the net assets);
- currencies;
- volatility and variance (up to 10% of the net assets);
- commodities (within the global exposure limit through eligible asset of 10% of the net assets); and
- ETF (financial instruments).

Strategy for using derivatives to achieve the investment objective

In order to achieve the investment objective, the portfolio manager may use equity derivatives, currency derivatives, interest rates derivatives, credit derivatives, volatility or variance instruments, dividend derivatives and commodities derivatives, their respective purpose being detailed in point 26 of part B of the prospectus.

Overall exposure to derivatives is controlled by combining leverage, calculated as being the sum of nominal amounts without netting or hedging, with the fund's VaR limit (cf. "Risk Profile" below).

Securities with embedded derivatives

The Sub-Fund may invest up to 10% of its net assets in securitisation instruments, and in particular Asset Backed Securities (ABS), Residential Mortgage-Backed Securities (RMBS), Commercial Mortgage-Backed Securities (CMBS), Collateralised Loan Obligations (CLO), Credit Linked Notes (CLN) and Enhanced Equipment Trust Certificates (EETC).

	The portfolio manager may also invest up to 10% of the net assets in contingent convertible bonds ("CoCos") (and incur specific risks associated to it, as further detailed in point 25.2 of Part B of the prospectus). **UCIs, investment funds, trackers and Exchange Traded Funds (ETF)** The Sub-Fund may invest up to 10% of the net assets in units or shares of other UCITS and/or UCIs. The Sub-Fund may invest in funds managed by Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds. **Deposits and cash** The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus. The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. **Cash borrowings** The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 10% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than 5 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: emerging markets risk, equity risk, currency risk, interest rate risk, credit risk, liquidity risk, volatility risk, risks of leverage, discretionary risk, counterparty risk, risk of capital loss, specific risks associated with investments in China, CDS risk, risk associated with high-yield securities and sustainability risk. In addition to the risks described above, investors are exposed to a higher level of credit risk due to the Sub-Fund's acquisition of ABS/MBS. As these securities are backed by debts, the impairment of the value of the surety Underlying the security, such as the non-payment of loans, may be reflected in a reduction in the value of the security itself and generate a loss for the Sub-Fund. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.** Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not be invested in the best-performing markets at all times.

	Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the VaR (Value at Risk) relative to a reference portfolio. The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 500% but may be higher under certain conditions. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than 5 years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU0592698954	Accumulation	All	None
A EUR Ydis	EUR	LU0807690911	Distribution (annual)	All	None
A CHF Acc Hdg	CHF hedged	LU0807690838	Accumulation	All	None
A USD Acc Hdg	USD hedged	LU0592699259	Accumulation	All	None
E EUR Acc	EUR	LU0592699093	Accumulation	All	None
F EUR Acc	EUR	LU0992631647	Accumulation	Authorised investors*	None
F CHF Acc Hdg	CHF hedged	LU0992631720	Accumulation	Authorised investors*	None
F GBP Acc	GBP	LU0992631993	Accumulation	Authorised investors*	None

* Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

Shares in EUR are issued at the initial price of EUR 100; Shares in GBP are issued at the initial price of GBP 100; Shares in CHF are issued at the initial price of CHF 100; Shares in USD are issued at the initial price of USD 100.

Net Asset Value (NAV) Valuation Day	Calculated daily in CHF, EUR, GBP and USD on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holiday (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES

	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee**	**Performance Fees[3]**
A	**Max. 4%**	**0**	**Max. 1%**	**Max. 1.50%**	**Max. 0.30%**	**Yes**
E	**0**	**0**	**0**	**Max. 2.25%**	**Max. 0.30%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.85%**	**Max. 0.30%**	**Yes**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1.1.2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The Reference indicator serving as the basis for calculating the performance fee is composed of 40% MSCI EM NR index, 40% JPM GBI - EM Global Diversified Composite Index and 20% €STR capitalised index. The reference indicator is rebalanced every quarter. As the weighting of each of the components of the reference indicator may change depending on their respective performances during the quarter, the rebalancing is performed on the last business day of every quarter in order to reset the weighting of each component (to the aforementioned levels).

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 6

CARMIGNAC PORTFOLIO EMERGENTS	
Launch date	This Sub-Fund was launched on 15 November 2013.
Investment Objective	The Sub-Fund's objective is to outperform its reference indicator over a recommended investment horizon of five years. This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy. The Sub-Fund's active, flexible management approach focuses on emerging equity markets (though not to the exclusion of other international markets) as well as foreign exchange and fixed income markets and relies on how the portfolio manager expects economic conditions and the markets to evolve. In addition, the Sub-Fund seeks to invest sustainably and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following website: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website").
Reference Indicator	The reference indicator is the MSCI EM NR index (Bloomber ticker: NDUEEGF). The MSCI EM NR index represents emerging markets. Further information on the index, how it is composed and calculated is available on the index provider's internet site at www.msci.com. The Sub-Fund's investment universe is at least partly derived from the Reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the Reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the Reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment strategy	This Sub-Fund invests mainly in equities from emerging markets. At least 60% of the Sub-Fund's net assets are exposed to equity markets, with no restriction on regions or types of capitalisation. Up to 40% may be invested in bonds, negotiable debt securities and money market instruments. At least two thirds of the issuers of equities and bonds held by the Sub-Fund have their registered office, conduct the majority of their business, or have business development prospects in emerging, including frontier, countries. The Sub-Fund can invest up to 30% of its net assets into Chinese domestic securities (maximum limit including both bonds and equities). Investments in China may be performed, inter alia, directly on the China Interbank Bond Market ("CIBM"). The investment strategy is implemented through a portfolio of direct investments in securities in addition to equity, foreign exchange and fixed income derivatives, without restriction in terms of allocation by region, sector, type or size of security. The asset allocation may differ substantially from that of its reference indicator. Likewise, the portfolio established in each of the asset classes on the basis of detailed financial analysis may vary considerably from the weightings of the reference indicator in terms of geographic regions and sectors. The allocation of the portfolio between the different asset classes (equities, currencies, interest rates) and investment fund categories (equities, balanced, bonds, money market, etc.) relies on a fundamental analysis of the global macroeconomic environment and its indicators (growth, inflation, deficits, etc.) and may vary according to the portfolio manager's expectations. **Equity strategy** The equity strategy is determined on the basis of a macroeconomic analysis and a detailed financial analysis of the companies on which the Sub-Fund may open positions, whether long or short. This determines the Sub-Fund's overall level of equity exposure. The Sub-Fund invests on all international markets. These investments are determined by:

	- the selection of securities, which results from an in-depth financial analysis of the company, regular meetings with the management, and close monitoring of business developments. The main criteria used are growth prospects, quality of management, yield and asset value. - allocating equity exposure to different economic sectors; and - allocating equity exposure to different regions. **Foreign exchange strategy** The portfolio manager's decisions regarding exposure to the foreign exchange market are made on the basis of a global macroeconomic analysis, in particular of the outlook for growth, inflation and monetary and fiscal policy of the different economic regions and countries, along with a detailed analysis of trends in the balance of payments. This research determines the Sub-Fund's overall level of currency exposure. The Sub-Fund invests on all international markets. These investments on the foreign exchange market, which depend on expectations of changes in different currencies, are determined by the currency allocation between the various regions through exposure generated by direct investments in securities denominated in foreign currencies, or directly through currency derivatives. **Fixed income and credit strategy** The Sub-Fund may also invest up to 40% of its net assets in bonds, debt securities or money market instruments denominated in a foreign currency or the euro for diversification purposes if the portfolio manager expects the equity markets to perform poorly. Investments on fixed income and credit markets are chosen on the basis of expected international macroeconomic scenarios, an analysis of the various central banks' monetary policies, and financial research into issuers' solvency. This determines the Sub-Fund's overall level of fixed income and credit exposure. The Sub-Fund invests on all international markets. For all of these strategies with the exception of the credit strategy, in addition to long positions, through instruments eligible for the portfolio: - the portfolio manager may also open short positions on underlying assets eligible for the portfolio if he or she feels that the market is overvaluing these underlying assets; - the portfolio manager also pursues relative value strategies by combining long and short positions on underlying assets eligible for the portfolio. Short positions will be achieved through the use of financial derivative instruments only, as listed in the "Derivatives" paragraph below.
Sustainable investment	**The Sub-fund has a sustainable objective pursuant to article 9 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the sustainable objective of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Equities** At least 60% of the Sub-Fund's net assets are exposed to international equity markets, with a significant allocation to emerging countries, through direct security investments or through derivatives. The Sub-Fund invests in stocks of any capitalisation, from any sector and any region. **Currencies** The exposures to currencies other than the Sub-Fund's valuation currency, including emerging market currencies, generated through direct investments in securities or through derivatives and may differ from that of the reference indicator and/or portfolio of securities alone. This is done for exposure, relative value or hedging purposes. **Debt securities and money market instruments** In order to allow the portfolio manager to diversify the portfolio, up to 40% of the Sub-Fund's net assets may be invested in money market instruments, (short and medium-term) negotiable debt securities, and fixed or floating rate, covered or uncovered bonds, which may be linked to inflation in the Eurozone or in international, including emerging, markets. The Sub-Fund may invest in securities issued by corporate or government issuers. The portfolio manager reserves the right to invest up to 10% of the net assets in debt instruments rated below investment grade. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The Sub-Fund may invest also in unrated debt securities. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. If pursuant to such analysis a debt security is assigned an internal rating below investment grade, it is then subject to the

limit shown above. There are no allocation restrictions between corporate and government issuers, nor on the maturity or duration of assets chosen.

The Sub-Fund may invest in non-leveraged exchange-traded commodities (ETC) traded on regulated or organised Eurozone and/or international markets in order to gain exposure to commodities, including precious metals. Investment in ETC is authorised only to the extent that such assets are settled in cash. Global exposure of the Sub-Fund to commodities through all eligible assets is limited to 20% of the net assets.

Derivatives

In order to achieve its investment objective, the Sub-Fund may invest in futures traded on Eurozone and international – including emerging – regulated, organised or over-the-counter markets for exposure, relative value or hedging purposes.

The derivatives liable to be used by the portfolio manager include options (simple, barrier, binary), futures, forwards, forward exchange contracts, swaps (including performance swaps), swaptions and CFDs (contracts for difference), involving one or more risks/underlying instruments (securities, indices, baskets) in which the fund manager may invest.

These derivatives allow the portfolio manager to expose the Sub-Fund to the following risks and instruments, while respecting the portfolio's overall constraints:

- equities (up to 100% of the net assets);
- currencies;
- fixed income;
- dividends;
- volatility and variance (up to 10% of the net assets);
- commodities (within the global exposure limit through eligible assets of 20% of the net assets); and
- ETF (financial instruments).

Strategy for using derivatives to achieve the investment objective:

In order to achieve the investment objective, the portfolio manager may use derivatives of equity derivatives, interest rates derivatives, volatility or variance instruments, dividend derivatives and commodities derivatives, their respective purpose being detailed in point 26 of part B of the prospectus.
Overall exposure to derivatives is controlled by combining leverage, calculated as being the sum of nominal amounts without netting or hedging, with the Sub-Fund's VaR limit (cf. "Risk Profile" below).

Securities with embedded derivatives

The Sub-Fund may invest in securities with embedded derivatives, especially warrants (or p-notes), convertible bonds, credit-linked notes (CLN), EMTN and subscription certificates traded on regulated, organised or over-the-counter Eurozone and/or international (including emerging) markets.

These securities with embedded derivatives allow the portfolio manager to expose the Sub-Fund to the following risks and instruments, while respecting the portfolio's overall constraints:

- equities (up to 100% of the net assets);
- currencies;
- fixed income;
- dividends;
- volatility and variance (up to 10% of the net assets); and
- ETF (financial instruments).

The amount of this type of investment in securities with embedded derivatives, excluding contingent convertible bonds, may not exceed 20% of the net assets.

The portfolio manager may invest up to 10% of the net assets in contingent convertible bonds (and incur specific risks associated, as further described in point 25.2 of Part B of the prospectus).

Strategy for using securities with embedded derivatives to achieve the investment objective:

The portfolio manager uses securities with embedded derivatives, as opposed to the other derivatives mentioned above, to optimise the portfolio's exposure or hedging by reducing the cost of using these financial instruments or gaining exposure to several performance drivers.

	The risk associated with this type of investment is limited to the amount invested in its purchase. In all cases, the amounts invested in securities with embedded derivatives may not exceed 20% of the net assets. **UCIs, investment funds, trackers and Exchange Traded Funds (ETF)** The portfolio manager may invest up to 10% of the net assets in: - units or shares of UCITS; - units or shares of AIFs; - foreign investment funds. The Sub-Fund may invest in funds managed by Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds. **Deposits and cash** The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus. The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited. **Cash borrowings** The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 5% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than 5 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: risk associated with discretionary management, risk of capital loss, emerging markets risk, equity risk, currency risk, interest rate risk, credit risk, liquidity risk, ESG risk, risk attached to investments in China, risk associated with high yield bonds, risks associated with investment in contingent convertible bonds (CoCos), risk associated with commodity indices, risk associated with market capitalisation, counterparty risk, risks of leverage, volatility risk, risks associated with temporary purchases and sales of securities, legal risk, risk associated with the reinvestment of collateral and sustainability risk. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.**
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund to partially to Carmignac UK Ltd. and partially to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the VaR (Value at Risk) relative to a reference portfolio (the Sub-Fund's reference indicator will be its reference portfolio). The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 200% but may be higher under certain market conditions.

	Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than 5 years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU1299303229	Accumulation	All	None
A EUR YDis	EUR	LU1792391242	Distribution (annual)	All	None
A USD Acc Hdg	USD hedged	LU1299303575	Accumulation	All	None
F EUR Acc	EUR	LU0992626480	Accumulation	Authorised investors*	None
F CHF Acc Hdg	CHF hedged	LU0992626563	Accumulation	Authorised investors*	None
F USD Acc Hdg	USD hedged	LU0992626993	Accumulation	Authorised investors*	None
FW EUR Acc	EUR	LU1623762413	Accumulation	Authorised investors*	None
FW GBP Acc	GBP	LU0992626720	Accumulation	Authorised investors*	None
I EUR Acc	EUR	LU2420650777	Accumulation	Authorised institutional investors**	EUR 10,000,000**** (initial subscription only)
IW EUR Acc	EUR	LU2420651072	Accumulation	Authorised institutional investors**	EUR 10,000,000**** (initial subscription only)
X EUR Acc	EUR	LU2870281644	Accumulation	Authorised investors***	EUR 10,000,000**** (initial subscription only)

* Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

** Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.

*** Accessible to selected Institutional investors investing on a proprietary basis as authorised by the Management Company on a discretionary basis.

**** The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in EUR are issued at the initial price of EUR 100; Shares in GBP are issued at the initial price of GBP 100; Shares in CHF are issued at the initial price of CHF 100; Shares in USD are issued at the initial price of USD 100.

Net Asset Value (NAV) Valuation Day	Calculated daily in CHF, EUR, GBP and USD on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays)

	are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES						
	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee**	**Performance Fees[3]**
A	**Max. 4%**	**0**	**Max. 1%**	**Max. 1.50%**	**Max. 0.30%**	**Yes**
E	**0**	**0**	**0**	**Max. 2.25%**	**Max. 0.30%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.85%**	**Max. 0.30%**	**Yes**
FW	**0**	**0**	**0**	**Max 1.05%**	**Max. 0.30%**	**No**
I	**0**	**0**	**0**	**Max. 0.70%**	**Max. 0.30%**	**Yes**
IW	**0**	**0**	**0**	**Max. 0.85%**	**Max. 0.30%**	**No**
X	**0**	**0**	**0**	**Max. 2.00%**	**Max. 0.30%**	**No**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1.1.2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions.

	The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance. For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The Reference indicator serving as the basis for calculating the performance fee is MSCI EM NR index.

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 7

CARMIGNAC PORTFOLIO LONG-SHORT EUROPEAN EQUITIES	
Launch date	This Sub-Fund was launched on 15 November 2013.
Investment Objective	The Sub-Fund seeks to achieve a positive absolute return over a 3-year investment horizon through capital growth. In addition, the Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference Indicator	The Performance of the Sub-Fund is not measured against a reference indicator.
Investment Strategy	In order to achieve its investment objective, the Sub-Funds implements a fundamentally driven long/short equity strategy. This strategy consists in building up a portfolio of both long and short positions on financial instruments eligible to the Sub-Fund's investment. The Sub-Fund invests at least 50% of its net assets in equities of companies domiciled in the European Economic Area and Switzerland. The remainder may be invested, directly or indirectly, in equities of issuers from outside the European Economic Area and Switzerland. Short positions will be achieved through the use of financial derivative instruments only, as listed in the "Derivatives" paragraph below. The level of equity exposure varies between -20% up to 50% of the net assets. When determined appropriate, up to 50% of the Sub-Fund's net assets may also be invested in debt securities and money market instruments traded on European or foreign markets. The investment strategy is determined on the basis of a detailed financial analysis of the companies which the Sub-Fund may invest in. The selection of our long and short positions will be based on a deep dive fundamental analysis, which includes a thorough financial analysis, an analysis of the competitive landscape, the quality of the management team and close monitoring of business developments. Sector and country allocations are derived from the stock selection process. Up to 25% of the Sub-Fund's net assets is exposed to currencies other than those of the European Economic Area. These investments on the foreign exchange market, which depend on expectations of changes in different currencies, are determined by the currency allocation between the various regions through exposure generated by direct investments in securities denominated in foreign currencies or through currency derivatives.
Environmental and social characteristics	**The Sub-Fund promotes environmental and/or social characteristics pursuant to article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the environmental and/or social characteristics of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Equities** At least 50% of the portfolio is invested in equities from the European Economic Area and Switzerland. The remainder may be invested in equities or other equity securities from the rest of the world, all capitalisations, all sectors combined, with up to 10% of net assets invested in emerging markets. The objective of these investments is to seek out opportunities in high-growth economic zones. **Debt securities and money market instruments** In order to allow the portfolio manager to diversify the portfolio, up to 50% of the Sub-Fund's net assets may be invested in money market instruments, negotiable debt securities, and fixed or floating rate, secured (including covered bonds), which may be linked to inflation in the Eurozone or international including emerging markets. The Sub-Fund may invest in securities issued by corporate or government issuers. There are neither restriction on allocation between corporate and government issuers, nor on the maturity and duration of securities chosen.

The portfolio manager reserves the right to invest up to 10% of the net assets in bonds with ratings below investment grade. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. the Sub-Fund may also invest in unrated debt securities. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. If pursuant to such analysis a debt security is assigned an internal rating below investment grade, it is then subject to the limit shown above.

The Sub-Fund may invest in non-leveraged exchange-traded commodities (ETC) traded on regulated or organised Eurozone and/or international markets in order to gain exposure to commodities, including precious metals. Investment in ETC is authorised only to the extent that such assets are settled in cash. Global exposure of the Sub-Fund to commodities through all eligible assets is limited to 20% of the net assets.

For all of these assets, the Management Company will carry out its own analysis of the risk/reward profile of the securities (profitability, creditworthiness, liquidity, maturity). As a result, the decision to buy, hold or sell a security (particularly where agency ratings have changed) is not solely based on the rating criteria, but also reflects an internal analysis of the credit risks and market conditions carried out by the Management Company.

UCIs, investment funds, trackers and Exchange Traded Funds (ETF)

The Sub-Fund may invest up to 10% of its net assets in:
- units or shares of UCITS;
- units or shares of AIFs;
- other investment funds,

The Sub-Fund may invest in funds managed by the Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds.

Derivatives

In order to achieve its investment objective, the Sub-Fund will invest in futures traded on Eurozone and international including emerging markets for exposure, relative value or hedging purposes.

The derivatives likely to be used by the portfolio manager include options (simple, barrier, binary), futures, forwards, forward exchange contracts, swaps (including performance swaps), and CFDs (contracts for difference), involving one or more risks/underlying instruments in which the portfolio manager may invest.

The Sub-Fund may use total return swaps for exposure or hedging purposes. The exposure to total return swaps is expected to be 30% of the net assets of the Sub-Fund. Said exposure may be greater but is limited to 60% of the net assets of the Sub-Fund. For additional information on total return swaps, please refer to section 3.3. "Use of Total Return Swaps" in Part B of this prospectus.

These derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio's overall constraints (within the limit of the Sub-Fund's net assets for each category unless another limit is provided):
- equities;
- currencies;
- interest rate;
- dividends;
- volatility and variance (up to 10% of the net assets);
- commodities (within the global exposure limit through eligible assets of 20% of the net assets); and
- ETF (financial instruments).

The use of derivatives is an integral part of the principal policy and they make a significant contribution to the realisation of the investment objective. The derivatives' contributions to the Sub-Fund's performance are the following, in descending orders from the highest to the lowest: equity derivatives (long positions, "long/short" and "short only"), currency derivatives (long position, "long/short" and "short only"), "fixed income arbitrage" and "short only" bonds, volatility derivatives, dividend derivatives, commodity derivatives, interest rate derivatives.

Securities with embedded derivatives

	The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, convertible bonds, credit-linked notes (CLN), EMTN, subscription certificates) traded on regulated, organised or over-the-counter Eurozone and/or international markets. The amount of this type of investment in securities with embedded derivatives, excluding contingent convertible bonds, may not exceed 10% of the net assets. The portfolio manager may also invest up to 10% of the net assets in contingent convertible bonds (and incur the specific risks associated to it, as further described in point 25.2 of Part B of the prospectus). *Strategy for using securities with embedded derivatives to achieve the investment objective* The portfolio manager uses securities with embedded derivatives, as opposed to the other derivatives mentioned above, to optimise the portfolio's exposure or hedging by reducing the cost of using these financial instruments or gaining exposure to several performance drivers. **Deposits and cash** The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus. The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited. **Cash borrowings** The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 10% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Fund is to be considered over an investment horizon of more than 3 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: long/short risk, equity risk, currency risk, interest rate risk, emerging markets risk, credit risk, risks of leverage, risk associated with commodity indices, counterparty risk, risk associated with high-yield bonds, risk of capital loss and sustainability risk. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.** Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not be invested in the best-performing markets at all times. **Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.**

Investment Manager	The Management Company has delegated the investment management of this Sub-Fund to White Creek Capital LLP.
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the absolute VaR (Value at Risk) method. The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 500% but may be higher under certain conditions. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than 3 years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU1317704051	Accumulation	All	None
A CHF Acc Hdg	CHF hedged	LU3135111204	Accumulation	All	None
E EUR Acc	EUR	LU1317704135	Accumulation	All	None
F EUR Acc	EUR	LU0992627298	Accumulation	Authorised investors*	None
F CHF Acc Hdg	CHF hedged	LU0992627371	Accumulation	Authorised investors*	None
F GBP Acc Hdg	GBP hedged	LU0992627454	Accumulation	Authorised investors*	None
F USD Acc Hdg	USD hedged	LU0992627538	Accumulation	Authorised investors*	None
X EUR Acc	EUR	LU2914157503	Accumulation	Authorised investors**	EUR 50,000,000*** (initial subscription only)

* Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.
** Accessible to selected Institutional investors investing on a proprietary basis as authorised by the Management Company on a discretionary basis.
*** The minimum does not apply to Carmignac Group. The minimum applies to each investor.

Shares in EUR are issued at the initial price of EUR 100; Shares in GBP are issued at the initial price of GBP 100; Shares in CHF are issued at the initial price of CHF 100; Shares in USD are issued at the initial price of USD 100.

Net Asset Value (NAV) Valuation Day	Calculated daily in CHF, EUR, GBP and USD on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES							
	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company			Payable by the Shareholders to the Management Company
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee**	**Performance Fees[3]**	**Subscription fees[4]**
A	**Max. 4%**	**0**	**Max. 1%**	**Max. 1.50%**	**Max. 0.30%**	**Yes**	**Max 5% may be charged by the Management Company**
E	**0**	**0**	**0**	**Max. 2.25%**	**Max. 0.30%**	**Yes**	**Max 5% may be charged by the Management Company**
F	**0**	**0**	**0**	**Max. 0.85%**	**Max. 0.30%**	**Yes**	**Max 5% may be charged by the Management Company**
X	**0**	**0**	**0**	**Max. 0.85%**	**Max. 0.30%**	**Yes**	**Max 5% may be charged by the Management Company**
1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.						
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.						
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the absolute performance of the share class. Provided that the value of the relevant Share has appreciated during performance period, a provision of 20% of the appreciation of the value of shares is established. Furthermore, the performance fee is based on High-Water Mark (HWM) model whereby the performance fee will be charged only if the value of shares at the end of the performance period exceeds the highest value of shares at the end of any five (5) preceding performance periods ("High-Water Mark"). The first year of application of the new performance fee model is year 2022 without retroactive effect. Consequently, the value of shares as of 1.1.2022 constitutes the first High-Water Mark.						

	If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus.
4	A conditional and additional subscription fee of maximum 5% related to potential temporary soft closing of the Sub-Fund. This fee is not automatically applicable but instead, it may be activated at some point in time in the future to limit the subscriptions if the assets under management of the Sub-fund exceed a threshold a determined by the Board of directors. This additional fee is designed to keep the assets under management at a level commensurate with the investment strategy and thus protect the liquidity of the Sub-Fund's assets. If activated, it will be payable to the management company, applicable to all share classes and comes in addition to the subscription fee of 4% maximum payable to distributors that may apply to certain share classes

CARMIGNAC PORTFOLIO INVESTISSEMENT	
Launch date	This Sub-Fund was launched on 15 November 2013.
Investment Objective	The Sub-Fund's objective is to outperform its reference indicator over a recommended investment horizon of five years. The search for performance involves active management, mostly on equity markets based on fundamental analysis on companies and how the portfolio manager expects economic and market conditions to evolve. In addition, the Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference Indicator	The reference indicator is the MSCI global international equities index, the MSCI AC WORLD NR index (Bloomberg ticker: NDUEACWF). The MSCI AC WORLD NR index represents the largest international companies in developed and emerging countries. The Sub-Fund's investment universe is at least partly derived from the Reference indicator in terms of allocation by region, sector or market capitalisation. Further information on the index, how it is composed and calculated is available on the index provider's internet site at www.msci.com. The Sub-Fund's investment strategy is not dependent on the Reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the Reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment Strategy	At least 60% of the Sub-Fund's net assets are permanently exposed to Eurozone, international and emerging market equities of all capitalisations, listed on financial markets all over the world. The investment strategy is followed through a portfolio of direct investments in securities and derivatives on equity and, to a lesser extent, foreign exchange, fixed income and credit markets, as well as commodity indices, without restriction in terms of allocation by region, sector, type or size of security. As the Sub-Fund is managed on an active basis, its asset allocation may differ substantially from that of its reference indicator. The investment policy spreads risk by diversifying investments. Likewise, the portfolio established on the basis of detailed financial analysis may vary considerably from the weightings of the reference indicator in terms of geographic regions and sectors. If needed, the allocation of the portfolio between the different asset classes (equities, fixed income, currencies) and fund categories (equities, balanced, bonds, money market, etc.) may vary according to the portfolio manager's expectations. **Equity Strategy** This Sub-Fund invests mainly in international equities. The equity strategy is determined on the basis of a macroeconomic analysis and a detailed financial analysis of the companies on which the Sub-Fund may open positions, whether long or short. This determines the Sub-Fund's overall level of equity exposure. The Sub-Fund invests on all international markets. These investments are determined by: - the selection of securities, which results from an in-depth financial analysis of the company, regular meetings with the management, and close monitoring of business developments. The main criteria used are growth prospects, quality of management, yield and asset value; - allocating equity exposure to different economic sectors;

	- allocating equity exposure to different regions. **Foreign exchange strategy** The portfolio manager's decisions regarding exposure to the foreign exchange market are made on the basis of a global macroeconomic analysis, in particular of the outlook for growth, inflation and monetary and fiscal policy of the different economic zones and countries. This determines the Sub-Fund's overall level of exposure to each currency. The Sub-Fund invests on all international markets. These investments on the foreign exchange market, which depend on expectations of changes in different currencies, are determined by: - the currency allocation between the various regions through exposure generated by real securities denominated in foreign currencies; - the currency allocation between the various regions directly through currency derivatives. **Fixed income strategy** Investments on fixed income markets are chosen on the basis of expected international macroeconomic scenarios and an analysis of the various central banks' monetary policies. This determines the Sub-Fund's overall modified duration. The Sub-Fund invests on all international markets. These investments on fixed income markets are determined by: - the allocation of modified duration between the different fixed income markets; - the allocation of modified duration between the different segments of the yield curve. **Credit strategy** Investments on credit markets are chosen on the basis of expected international macroeconomic scenarios and financial research into issuers' solvency. This research determines the Sub-Fund's overall level of credit exposure. The Sub-Fund invests on all international markets. These investments on credit markets are determined by: - selecting securities on the basis of an internal analysis, itself largely based on profitability, creditworthiness, liquidity, maturity and, for distressed issuers, the prospect of recovering the investment; - the government/corporate bond allocation; - the credit allocation to debt securities and public or private money market instruments or corporate bonds according to rating, sector, subordination. For all of these strategies (excluding credit), in addition to long positions: - The portfolio manager may also open short positions on underlying assets eligible for the portfolio if he or she feels that the market is overvaluing these underlying assets; - The portfolio manager also pursues relative value strategies by combining long and short positions on underlying assets eligible for the portfolio. Short positions will be achieved through the use of financial derivative instruments only, as listed in the "Derivatives" paragraph below. The investment universe for all strategies includes emerging markets within the limits stipulated in the section "Description of asset categories and financial contracts as well as their contribution to the investment objective being achieved".
Environmental and social characteristics	**The Sub-Fund promotes environmental and/or social characteristics pursuant to article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on environmental and social characteristics of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Equities** Through direct security investments or derivatives, at least 60% of the Sub-Fund's net assets are permanently exposed to Eurozone and/or international equity markets, including emerging countries. The Sub-Fund invests in stocks of any capitalisation, from any sector and any region. The Sub-fund may invest up to 10% of its net assets in investments in transferable securities of undertakings that anticipate or aspire, at the time of issue or purchase of securities, to an application for admission to official listing on a stock market or another regulated market and for which this official listing on a stock market or another regulated market is not foreseen within one year from the issue or purchase date

(referred to as "selected unlisted securities") and incur specific risks associated therewith. For additional information on unlisted securities, please refer to section 3.7. "Selected unlisted securities" in Part B of this prospectus.

Currencies

The exposures to currencies other than the Sub-Fund's valuation currency, including emerging market currencies, generated through direct investments in securities or through derivatives and may differ from that of the reference indicator and/or portfolio of securities alone.
This is done for exposure, relative value or hedging purposes.

Debt securities and money market instruments

To achieve its investment objective, the Sub-Fund may invest in negotiable debt securities, money market instruments and fixed or floating rate, covered or uncovered bonds, which may be linked to inflation in the Eurozone and/or international – including emerging – markets. The Sub-Fund may invest in corporate or government issuers.

The portfolio's total modified duration, defined as the change in portfolio capital (as %) for a change in interest rates of 100 basis points, may vary from -4 to +5.

The weighted average rating of the debt instruments held directly by the Sub-Fund or through investment in funds shall be at least investment grade according to the major rating agencies. The portfolio manager may invest in debt instruments rated below investment grade, or which are unrated. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The Sub-Fund may also invest in unrated debt securities. The company carries out its own analysis and assessment of creditworthiness of such unrated debt securities. The rating determined pursuant to such analysis is applied to the weighted average rating.

The Sub-Fund may invest in non-leveraged exchange-traded commodities (ETC) traded on regulated or organised Eurozone and/or international markets in order to gain exposure to commodities, including precious metals. Investment in ETC is authorised only to the extent that such assets are settled in cash. Global exposure of the Sub-Fund to commodities through all eligible assets is limited to 20% of the net assets.

The management company will carry out its own analysis of the risk/reward profile of the securities (return, credit rating, liquidity, maturity). As a result, the decision to buy, hold or sell a security (particularly where the rating has changed) is not solely based on the rating criteria, but also reflects an internal analysis of the credit risks and market conditions carried out by the management company. There are no allocation restrictions between corporate and government issuers, nor on the maturity or duration of assets chosen.

Derivatives

In order to achieve its investment objective, the Sub-Fund may invest in futures traded on Eurozone and international – including emerging – regulated, organised or over-the-counter markets for exposure, relative value or hedging purposes.

The derivatives liable to be used by the portfolio manager include options (simple, barrier, binary), futures, forwards, forward exchange contracts, swaps (including performance swaps), swaptions and CFDs (contracts for difference), involving one or more risks/underlying instruments (securities, indices, baskets) in which the portfolio manager may invest.

These derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio's overall constraints:

- equities (up to 100% of the net assets);
- currencies;
- fixed income;
- dividends;
- volatility and variance (up to 10% of the net assets);
- Commodities (within the global exposure limit through eligible assets of 20% of the net assets); and
- ETF (financial instruments).

Strategy for using derivatives to achieve the investment objective

In order to achieve the investment objective, the portfolio manager may use derivatives of equity derivatives, currency derivatives, interest rates derivatives, volatility or variance instruments, dividend derivatives and commodities derivatives, their respective purpose being detailed in point 26 of part B of the prospectus.

Overall exposure to derivatives is controlled by combining leverage, calculated as being the sum of nominal amounts without netting or hedging, with the Sub-Fund's VaR limit (cf. "Risk Profile" below).

Securities with embedded derivatives

The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, convertible bonds, credit-linked notes (CLN), EMTN, subscription certificates) traded on regulated, organised or over-the-counter Eurozone and/or international markets.

These securities with embedded derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio's overall constraints:

- equities (up to 100% of the net assets);
- currencies;
- fixed income;
- dividends;
- volatility and variance (up to 10% of the net assets); and
- ETF (financial instruments).

The amount of this type of investment in securities with embedded derivatives, excluding contingent convertible bonds, may not exceed 10% of the net assets.

The Sub-Funds may also invest up to 10% of its net assets in contingent convertible bonds ("CoCos") (and incur specific risks associated as further described in point 25.2. of part B of the prospectus).

Strategy for using securities with embedded derivatives to achieve the investment objective

The portfolio manager uses securities with embedded derivatives, as opposed to the other derivatives mentioned above, to optimise the portfolio's exposure or hedging by reducing the cost of using these financial instruments or gaining exposure to several performance drivers.

The risk associated with this type of investment is limited to the amount invested for the purchase of the securities with embedded derivatives.

UCIs, investment funds, trackers or Exchange Traded Funds (ETF)

The Sub-Fund may invest up to 10% of its net assets in:

- units or shares of UCITS;
- units or shares of AIFs;
- other investment funds.

The Sub-Fund may invest in funds managed by the Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds.

Deposits and cash

The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus.

The fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited.

Cash borrowings

The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus.

Securities Financing Transactions

For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market

	instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 5% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than 5 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: Risk associated with discretionary management, Risk of capital loss, Equity risk, Currency risk, Emerging markets risk, Interest rate risk, Credit risk, Liquidity risk, Risk attached to investments in China, Risk associated with high yield bonds, Risks associated with investment in contingent convertible bonds (CoCos), Risk associated with commodity indices, Risk associated with market capitalisation, Counterparty risk, Volatility risk, Risks associated with temporary purchases and sales of securities, Legal risk, Risk associated with the reinvestment of collateral and sustainability risk. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.**
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund partially to Carmignac UK Ltd and partially to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the VaR (Value at Risk) relative to a reference portfolio (the Sub-Fund's reference indicator will be its reference portfolio). The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 200% but may be higher under certain market conditions. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than 5 years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU1299311164	Accumulation	All	None
A USD Acc Hdg	USD hedged	LU1299311677	Accumulation	All	None
AW-R EUR Acc	EUR	LU3149200233	Accumulation	Authorised investors in Germany and Austria*	None
E EUR Acc	EUR	LU1299311834	Accumulation	All	None
F EUR Acc	EUR	LU0992625839	Accumulation	Authorised investors**	None
FW-R EUR Acc	EUR	LU3149200746	Accumulation	Authorised investors in Germany and Austria*	None

* Shares of this Share Class may only be subscribed by certain providers of packaged retirement saving plans in Germany and Austria authorised by the management company on a discretionary basis.
** Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds oHif funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

Shares in EUR are issued at the initial price of EUR 100; Shares in GBP are issued at the initial price of GBP 100; Shares in USD are issued at the initial price of USD 100.

Net Asset Value (NAV)	Calculated daily in EUR, GBP and USD on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES

	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee**	**Performance Fees[3]**
A	**Max. 4%**	**0**	**Max. 1%**	**Max. 1.50%**	**Max. 0.30%**	**Yes**
AW-R	**0**	**0**	**0**	**Max 1.50%**	**Max. 0.30%**	**No**
E	**0**	**0**	**0**	**Max. 2.25%**	**Max. 0.30%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.85%**	**Max. 0.30%**	**Yes**
FW-R	**0**	**0**	**0**	**Max 1.50%**	**Max. 0.30%**	**No**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1 January 2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed

	back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The reference indicator serving as the basis for calculating the performance fee is the MSCI AC WORLD NR index (Bloomberg ticker: NDUEACWF).

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 9

CARMIGNAC PORTFOLIO PATRIMOINE	
Launch date	This Sub-Fund was launched on 15 November 2013.
Investment Objective	The Sub-Fund's objective is to outperform its reference indicator over a recommended investment horizon of three (3) years. The search for performance involves flexible, discretionary management on equity, fixed income, foreign exchange and credit markets, based on the manager's expectations of how economic and market conditions will evolve. The Sub-Fund may adopt a defensive strategy if the markets are expected to perform negatively. In addition, the Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference Indicator	The reference indicator is composed of the following components: - 40% MSCI AC WORLD NR index (Bloomberg ticker: NDUEACWF); and - 40% ICE BofA Global Government Index (Bloomberg ticker: W0G1). - 20% €STR capitalised index (Bloomberg ticker: ESTRONCAPL), The indicator is rebalanced each quarter. The MSCI AC WORLD NR index represents the largest international companies in developed and emerging countries. The reference indicator of the bond component is ICE BofA Global Government Index which tracks the performance of publicly issued investment grade sovereign debt denominated in the issuer's own domestic currency. The index is converted in EUR for EUR shares and hedged Shares, and into the relevant reference currency for unhedged Shares. ESTER (also "€STR") Capitalised index is a Euro short-term interest rate published by the European Central Bank which reflects the wholesale euro unsecured overnight borrowing costs of euro area banks. Further information on the indices and interest rates, how they are composed and calculated is available on the index providers' internet sites at www.msci.com, www.theice.com and www.ecb.europa.eu. The Sub-Fund's investment universe is at least partly derived from the Reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the Reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the Reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment Strategy	Up to 50% of the Sub-Fund's net assets are exposed to equity markets, and at least 40% invested in bonds, negotiable debt securities and money market instruments. As the Sub-Fund is managed on an active, flexible basis, its asset allocation may differ substantially from that of its reference indicator. As such, the portfolio manager dynamically manages exposure to the different markets and eligible asset classes, based on expectations of changes in risk/return ratios. The investment policy spreads risk by diversifying investments. Likewise, the portfolio established in each of the asset classes on the basis of detailed financial analysis may vary considerably from the weightings of the reference indicator in terms of geographical zones, sectors, ratings and maturities. The allocation of the portfolio's assets between the different asset classes (equities, fixed income, credit, currencies) or investment fund categories (equities, balanced, bonds, money market, etc.) relies on fundamental analysis of the global macroeconomic environment and its indicators (growth, inflation, deficits, etc.) and may vary according to the portfolio manager's expectations.

	Equity strategy The equity strategy is determined on the basis of a macroeconomic analysis and a detailed financial analysis of the companies on which the Sub-Fund may open positions, whether long or short. This determines the Sub-Fund's overall level of equity exposure. The Sub-Fund invests on all international markets. These investments are determined by: the selection of securities, which results from an in-depth financial analysis of the company, regular meetings with the management, and close monitoring of business developments. The main criteria used are growth prospects, quality of management, yield and asset value. - allocating equity exposure to different economic sectors; - allocating equity exposure to different regions. **Fixed income strategy** Investments on fixed income markets are chosen on the basis of expected international economic scenarios and an analysis of the various central banks' monetary policies. This determines the Sub-Fund's overall modified duration. The Sub-Fund invests on all international markets. These investments on fixed income markets are determined by: - the allocation of modified duration between the different fixed income markets; - the allocation of modified duration between the different segments of the yield curve. **Credit strategy** Investments on credit markets are chosen on the basis of expected international economic scenarios and financial research into issuers' solvency. This determines the Sub-Fund's overall level of credit exposure. The Sub-Fund invests on all international markets. These investments on credit markets are determined by: - selecting securities on the basis of an internal analysis, itself largely based on profitability, creditworthiness, liquidity, maturity and, for distressed issuers, the prospect of recovering the investment; - the government/corporate bond allocation; - the credit allocation to debt securities and public or private money market instruments or corporate bonds according to rating, sector, subordination. **Foreign exchange strategy** The portfolio manager's decisions regarding exposure to the foreign exchange market are made on the basis of a global macroeconomic analysis, in particular of the outlook for growth, inflation and monetary and fiscal policy of the different economic zones and countries. This determines the Sub-Fund's overall level of currency exposure. The Sub-Fund invests on all international markets. These investments on the foreign exchange market, which depend on expectations of changes in different currencies, are determined by: The currency allocation between the various regions through exposure generated by direct investments in securities denominated in foreign currencies or directly through currency derivatives. For all of these strategies, in addition to long positions: - the portfolio manager may also open short positions on underlying assets eligible for the portfolio if he or she feels that the market is overvaluing these underlying assets, using eligible instruments; - the portfolio manager also pursues relative value strategies by combining long and short positions on underlying assets eligible for the portfolio. Short positions will be achieved through the use of financial derivative instruments only, as listed in the "Derivatives" paragraph below. The investment universe for all strategies includes emerging markets within the limits stipulated in the section "Description of asset categories and financial contracts as well as their contribution to the investment objective being achieved".
Environmental and social characteristics	**The Sub-Fund promotes environmental and/or social characteristics pursuant to article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the environmental and/or social characteristics of this Sub-Fund is available in the annex to this Prospectus.**

Categories of assets and financial contracts	**Debt securities and money market instruments** At least 40% of the Sub-Fund's net assets are invested in negotiable debt securities, money market instruments, and fixed or floating rate, covered or uncovered bonds, which may be linked to inflation in the Eurozone and/or international markets. Investments in emerging markets may not exceed 25% of the net assets, with a maximum of 10% in the Chinese domestic market (common investment limit for both equities, debt instruments and monetary instruments). Investments in China may be performed, inter alia, directly on the China Interbank Bond Market ("CIBM"). The Sub-Fund may invest in corporate or government issuers. The portfolio's total modified duration, defined as the change in portfolio capital (as %) for a change in interest rates of 100 basis points, may be very different from that of the reference indicator. The Sub-Fund's modified duration may vary from -4 to +10. For both of these asset classes as a whole, distressed debt (as it is a debt in restructuring or in default) shall not exceed 5% of the net assets (investment in Distressed Securities entails specific risks; for further information on Distressed Securities please refer to Part B point 25.3 of the prospectus). The Sub-Fund may also invest in debt instruments with a rating below investment grade. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The Sub-Fund may also invest in unrated debt securities. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. The rating determined pursuant to such analysis is applied to the weighted average rating. The weighted average rating of the debt instruments held directly by the Sub-Fund or through investment in UCIs shall be at least investment grade according to the main rating agencies. The Sub-Fund may invest in non-leveraged exchange-traded commodities (ETC) traded on regulated or organised Eurozone and/or international markets in order to gain exposure to commodities, including precious metals. Investment in ETC is authorised only to the extent that such assets are settled in cash. Global exposure of the Sub-Fund to commodities through all eligible assets is limited to 20% of the net assets. Lastly, up to 10% of the Sub-Fund's assets may be invested in securitisation instruments. The instruments concerned are mainly Asset-Backed Securities (ABS), Enhanced Equipment Trust Certificates (EETC), Residential Mortgage-Backed Securities (RMBS), Commercial Mortgage-Backed Securities (CMBS) and Collateralised Loan Obligations (CLO). For all of these assets, the management company will carry out its own analysis of the risk/reward profile of the securities (profitability, creditworthiness, liquidity, maturity). As a result, the decision to buy, hold or sell a security (particularly where the rating has changed) is not solely based on the rating criteria, but also reflects an internal analysis of credit risks and market conditions carried out by the management company. There are no allocation restrictions between corporate and government issuers, nor on the maturity or dura of assets chosen. **Equities** Through direct security investments or derivatives, up to 50% of the Sub-Fund's net assets are exposed to Eurozone and/or international equity markets. Up to 25% of the Sub-Fund's net assets may be exposed to emerging market equities, with a maximum of 10% in the Chinese domestic market. (common investment limit for both equities, debt instruments and monetary instruments). The Sub-Fund invests in stocks of any capitalisation from any sector. The Sub-Fund is invested with a minimum of 25% in equities. The Sub-fund may invest up to 5% of its net assets in investments in transferable securities of undertakings that anticipate or aspire, at the time of issue or purchase of securities, to an application for admission to official listing on a stock market or another regulated market and for which this official listing on a stock market or another regulated market is not foreseen within one year from the issue or purchase date (referred to as "selected unlisted securities") and incur specific risks associated therewith. For additional information on unlisted securities, please refer to section 3.7. "Selected unlisted securities" in Part B of this prospectus. **Currencies** The exposures to currencies other than the Sub-Fund's valuation currency, including emerging market

currencies, generated through direct investments in securities or through derivatives, may differ from that of the reference indicator and/or portfolio of securities alone.

The Sub-Fund uses them for exposure, relative value or hedging purposes.

Derivatives

In order to achieve its investment objective, the Sub-Fund will invest in futures traded on Eurozone and international regulated, organised or over-the-counter markets for exposure, relative value or hedging purposes.

The derivative instruments liable to be used by the portfolio manager include options (simple, barrier, binary), futures, forwards, forward exchange contracts, swaps (including performance swaps), CDS (credit default swaps), CDS indices, swaptions and CFD (contracts for difference), involving one or more risks and/or underlying instruments (securities, indices, baskets) in which the portfolio manager may invest.

The Sub-Fund may use total return swaps for exposure or hedging purposes. The exposure to total return swaps is expected to be 10% of the net assets of the Sub-Fund. Said exposure may be greater but is limited to 20% of the net assets of the Sub-Fund. For additional information on total return swaps, please refer to section 3.3. “Use of Total Return Swaps” in Part B of this prospectus.

These derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio’s overall constraints:

- equities;
- fixed income;
- credit (up to 30% of the net assets);
- currencies;
- volatility and variance (up to 10% of the net assets);
- commodities (within the global exposure limit through eligible assets of 20% of the net assets); and
- ETF (financial instruments).

Strategy for using derivatives to achieve the investment objective

In order to achieve the investment objective, the portfolio manager may use derivatives of equity derivatives, currency derivatives, interest rates derivatives, credit derivatives, volatility or variance instruments, dividend derivatives and commodities derivatives, their respective purpose being detailed in point 26 of part B of the prospectus.

Overall exposure to derivatives is controlled by combining leverage, calculated as being the sum of nominal amounts without netting or hedging, with the fund’s VaR limit (cf. “Risk Profile” below).

Securities with embedded derivatives

The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, convertible bonds, credit-linked notes (CLN), EMTN, subscription certificates) traded on regulated, organised or over-the-counter Eurozone and/or international markets.

These securities with embedded derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio's overall constraints:

- equities;
- fixed income;
- credit (up to 30% of the net assets);
- currencies;
- dividends;
- volatility and variance (up to 10% of the net assets); and
- ETF (financial instruments).

Strategy for using securities with embedded derivatives to achieve the investment objective

The portfolio manager uses securities with embedded derivatives, as opposed to the other derivatives mentioned above, to optimise the portfolio's exposure or hedging by reducing the cost of using these financial instruments or gaining exposure to several performance drivers.

The risk associated with this type of investment is limited to the amount invested in its purchase. In all cases, the amounts invested in securities with embedded derivatives, excluding contingent convertible bonds may not exceed 10% of the net assets.

	The portfolio manager may also invest up to 15% of the net assets in contingent convertible bonds ("CoCos") (and incur specific risks associated to it, as further detailed in point 25.2 of Part B of the prospectus). **UCIs, investment funds, trackers or Exchange Traded Funds (ETF)** The Sub-Fund may invest up to 10% of its net assets in: - units or shares of UCITS; - units or shares of AIFs; - other investment funds. The Sub-Fund may invest in funds managed by the Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds. **Deposits and cash** The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus. The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited. **Cash borrowings** The Sub-Fund may borrow cash limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 10% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than 3 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: risk associated with discretionary management, risk of capital loss, equity risk, currency risk, interest rate risk, credit risk (furthermore, a more specific credit risk linked to the use of credit derivatives exists), emerging markets risk, risk associated with high yield bonds, risks associated with investment in contingent convertible bonds, liquidity risk, risk attached to investments in China, risk associated with commodity indices, risk associated with market capitalisation, counterparty risk, volatility risk, risks associated with temporary purchases and sales of securities, legal risk, risk associated with the reinvestment of collateral and sustainability risk. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.**
Investment Manager	The management of the Sub-Fund is mostly delegated by the Management Company to Carmignac Gestion in Paris (France) and partially to Carmignac UK Ltd.
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the VaR (Value at Risk) method relative to a reference portfolio (the Sub-Fund's reference indicator will be its reference portfolio). The expected level

	of leverage calculated as the sum of nominal amounts without netting or hedging, is 500% but may be higher under certain conditions. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than 3 years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
Income A EUR*, as from 12/9/2025 **A EUR Minc***	EUR	LU1163533422	Distribution (monthly)	All	None
A EUR Acc	EUR	LU1299305190	Accumulation	All	None
A EUR Ydis	EUR	LU1299305356	Distribution (annual)	All	None
A CHF Acc Hdg	CHF hedged	LU1299305513	Accumulation	All	None
A USD Acc Hdg	USD hedged	LU1299305786	Accumulation	All	None
E EUR Acc	EUR	LU1299305943	Accumulation	All	None
Income E EUR*, as from 12/9/2025 **E EUR Minc***	EUR	LU1163533349	Distribution (monthly)	All	None
E USD Acc Hdg	USD hedged	LU0992628429	Accumulation	All	None
Income E USD Hdg*, as from 12/9/2025 **E USD Minc Hdg***	USD hedged	LU0992628692	Distribution (monthly)	All	None
F EUR Acc	EUR	LU0992627611	Accumulation	Authorised investors**	None
Income F EUR*, as from 12/9/2025 **F EUR Minc***	EUR	LU1163533778	Distribution (monthly)	Authorised investors**	None
F CHF Acc Hdg	CHF hedged	LU0992627702	Accumulation	Authorised investors**	None
F GBP Acc Hdg	GBP hedged	LU0992627967	Accumulation	Authorised investors**	None
F USD Acc Hdg	USD hedged	LU0992628346	Accumulation	Authorised investors**	None

* The Income shares have an annual dividend target which is established in advance annually for each calendar year. The currently applicable annual distribution target is available on the management company website. A monthly or quarterly interim dividend is paid to investors. If the Sub-Fund's performance is unsatisfactory, the capital initially invested may be paid out until a new dividend target has been set. Undistributed performance is accumulated.

** Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

Shares in EUR are issued at the initial price of EUR 100; Shares in GBP are issued at the initial price of GBP 100; Shares in CHF are issued at the initial price of CHF 100; Shares in USD are issued at the initial price of USD 100.

Net Asset Value (NAV) Valuation Day	Calculated daily in CHF, EUR, GBP and USD on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES						
	Payable by the Shareholders to the distributors			**Payable by the Sub-Fund to the Management Company**		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee**	**Performance Fees[3]**
A	**Max. 4%**	**0**	**Max. 1%**	**Max. 1.50%**	**Max. 0.30%**	**Yes**
E	**0**	**0**	**0**	**Max. 2.00%**	**Max. 0.30%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.85%**	**Max. 0.30%**	**Yes**
1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.					
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.					
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1 January 2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle.					

	Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The reference indicator serving as the basis for calculating the performance fee is composed of 40% MSCI AC World NR index, 40% ICE BofA Global Government Index and 20% €STR capitalised index. The reference indicator is rebalanced every quarter. As the weighting of each of the components of the reference indicator may change depending on their respective performances during the quarter, the rebalancing is performed on the last business day of every quarter in order to reset the weighting of each component (to the aforementioned levels).

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 10

CARMIGNAC PORTFOLIO SÉCURITÉ	
Launch date	This Sub-Fund was launched on 25 November 2013.
Investment objective	The investment objective is to outperform the reference indicator over a recommended investment horizon of two years. In addition, the Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference Indicator	The Sub-Fund's reference indicator is ICE BofA 1-3 Year All Euro Government Index (Bloomberg ticker: E1AS). ICE BofA 1-3 Year All Euro Government Index tracks the performance of EUR denominated sovereign debt publicly issued by Euro member countries in either the eurobond market or the issuer's own domestic market, with a remaining term to final maturity less than 3 years. Further information on the index, how it is composed and calculated is available on the index provider's internet site at www.theice.com. The Sub-Fund's investment universe is at least partly derived from the Reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the Reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the Reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment Strategy	The Sub-Fund aims to outperform the reference indicator by exposing the portfolio to interest rates in the Eurozone and, to a lesser extent, to interest rates outside the Eurozone, and by exposing the portfolio to international credit markets through investments in debt securities or money market instruments issued by international governments and corporations, or through derivatives. The Sub-Fund is free to vary its foreign exchange market exposure within the limit of 10% of the net assets. As the Sub-Fund is managed on a flexible, active basis, its asset allocation may differ substantially from that of its reference indicator. In the same way, the Sub-Fund's modified duration may differ substantially from that of its reference indicator (within the range defined above). The investment strategy is based largely on the manager's analysis of the yield spread between different maturities (yield curves), between different countries and between the different ratings of bonds offered by corporate and public issuers. The selection criteria for bonds are therefore based on the issuing company's fundamentals and the evaluation of quantitative factors such as the yield premium they offer compared to government bonds. **Fixed income strategy** Investments on fixed income markets are chosen on the basis of expected international economic scenarios and an analysis of the various central banks' monetary policies. This determines the Sub-Fund's overall modified duration. The portfolio's modified duration may vary from -3 to +4. The Sub-Fund invests on Eurozone markets and, to a lesser extent, on international markets. These investments on fixed income markets are determined by: - the allocation of modified duration between the different fixed income markets; - the allocation of modified duration between the different segments of the yield curve.

	Credit strategy Investments on credit markets are chosen on the basis of expected international macroeconomic scenarios and financial research into issuers' solvency. This research determines the Sub-Fund's overall level of credit exposure. The Sub-Fund invests on all international markets. These investments on credit markets are determined by: - selecting securities on the basis of an internal analysis, itself largely based on profitability, creditworthiness, liquidity, maturity and, for distressed issuers, the prospect of recovering the investment; - the government/corporate bond allocation; - the credit allocation to debt securities and public or private money market instruments or corporate bonds according to rating, sector, subordination. **Foreign exchange strategy** The portfolio manager's decisions regarding exposure to the foreign exchange market are made on the basis of a global macroeconomic analysis, in particular of the outlook for growth, inflation and monetary and fiscal policy of the different economic zones and countries. This research determines the Sub-Fund's overall level of currency exposure. The Sub-Fund invests on all international markets. These investments on the foreign exchange market, which depend on expectations of changes for various currencies, are determined by - the currency allocation across the various regions through exposure generated by securities denominated in foreign currencies; - the currency allocation across the various regions directly through currency derivatives. The investment universe for all strategies includes emerging countries.
Environmental and social characteristics	**The Sub-Fund promotes environmental and/or social characteristics pursuant to article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the environmental and/or social characteristics of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Equities** None **Debt securities and money market instruments** The Sub-Fund is mainly invested in (short and medium-term) negotiable debt securities, money market instruments, fixed or floating rate bonds (covered and uncovered) and/or inflation-linked bonds in Eurozone countries. The Sub-Fund may invest in corporate or government issuers. It may invest up to 20% of its assets in securities denominated in a currency other than the euro. The weighted average rating of the debt instruments held directly by the Sub-Fund or through investment in funds shall be at least investment grade according to the major rating agencies. However, the Sub-Fund reserves the right to invest in high yield debt securities issued by corporate and sovereign issuers up to a limit of 10% of net assets for each category of issuer. A debt security is considered "high yield" or "investment grade" if it is rated as such by at least one of the main rating agencies. For both of these asset classes as a whole, distressed debt shall not exceed 4% of the net assets. Investment in Distressed Securities entails specific risks. For further information on Distressed Securities, please refer to Part B point 25.3 of the prospectus. Up to 10% of the Sub-Fund's assets may be invested in securitisation instruments. The instruments concerned are mainly Asset-Backed Securities (ABS), Enhanced Equipment Trust Certificates (EETC), Residential Mortgage-Backed Securities (RMBS), Commercial Mortgage-Backed Securities (CMBS) and Collateralised Loan Obligations (CLO). For all of these assets, the management company will carry out its own analysis of the risk/reward profile of the securities (profitability, creditworthiness, liquidity, maturity). As a result, the decision to buy, hold or sell a security (particularly where the rating has changed) is not solely based on the rating criteria, but also reflects an internal analysis of credit risks and market conditions carried out by the management company. There are no restrictions on direct investments in securities, nor in terms of duration or allocation between government and corporate issuers.

Currencies

Net exposure to currencies other than the Sub-Fund's valuation currency, including emerging market currencies, generated through securities or derivatives, is limited to 10% of the net assets.
The Sub-Fund uses them for exposure or hedging purposes.

Derivatives

In order to achieve its investment objective, the Sub-Fund may invest in futures traded on Eurozone and international – including emerging – regulated, organised or over-the-counter markets for exposure or hedging purposes.

The derivative instruments liable to be used by the portfolio manager are options, futures, forwards, swaps and CDS (credit default swaps) involving one or more underlying instruments (securities, indices, baskets) in which the portfolio manager may invest.

The Sub-Fund may use total return swaps for exposure or hedging purposes. The exposure to total return swaps is expected to be 10% of the net assets of the Sub-Fund. Said exposure may be greater but is limited to 20% of the net assets of the Sub-Fund. For additional information on total return swaps, please refer to section 3.3. "Use of Total Return Swaps" in Part B of this prospectus.

These derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio's overall constraints:
- fixed income;
- credit (up to 30% of the net assets);
- currencies.

Strategy for using derivatives to achieve the investment objective

In order to achieve the investment objective, the portfolio manager may use derivatives of interest rates derivatives, credit derivatives and currency derivatives, their respective purpose being detailed in point 26 of part B of the prospectus.

Securities with embedded derivatives

The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, credit-linked notes (CLNs), EMTNs, equity warrants, etc.) traded on Eurozone or, to a lesser extent, international regulated or over-the-counter markets in order to achieve the investment objective.

These securities with embedded derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio's overall constraints:
- fixed income;
- credit (up to 30% of the net assets);
- currencies.

Strategy for using securities with embedded derivatives to achieve the investment objective

The strategy for using securities with embedded derivatives is the same as that described for derivatives. The use of securities with embedded derivatives compared to the other derivative instruments referred to above is justified by the manager's decision to optimise the hedging or, where necessary, the exposure of the portfolio by reducing the cost associated with the use of these financial instruments in order to achieve the investment objective. The risk associated with this type of investment is limited to the amount invested for the purchase of the securities with embedded derivatives.

The risk associated with this type of investment is limited to the amount invested for the purchase of the securities with embedded derivatives. In all cases, the amounts invested in securities with embedded derivatives, excluding contingent convertible bonds, may not exceed 10% of the net assets.

The portfolio manager may also invest up to 8% of the net assets in contingent convertible bonds ("CoCos") (and incur specific risks associated, as further described in point 25.2 of Part B of the prospectus).

UCIs, investment funds, trackers or Exchange Traded Funds (ETF)

The Sub-Fund may invest up to 10% of its net assets in:
- units or shares of UCITS;
- units or shares of AIFs;
- other investment funds.

	The Sub-Fund may invest in funds managed by the Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds. **Deposits and cash** The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus. The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited. **Cash borrowings** The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 20% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than 3 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: risk associated with discretionary management, interest rate risk, credit risk (furthermore, a more specific credit risk linked to the use of credit derivatives exists), risk of capital loss, risk associated with high-yield bonds, liquidity risk, currency risk, counterparty risk, risks associated with investment in contingent convertible bonds (CoCos), risks associated with temporary purchases and sales of securities, legal risk, risk associated with the reinvestment of collateral and sustainability risk. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.**
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund to Carmignac Gestion in Paris (France).
Method for determining overall risk	Overall risk is calculated using the commitment method.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of 2 years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU2426951195	Accumulation	All	None
AW EUR Acc	EUR	LU1299306321	Accumulation	All	None
AW EUR Ydis	EUR	LU1299306677	Distribution (annual)	All	None
AW CHF Acc Hdg	CHF hedged	LU1299307055	Accumulation	All	None
AW USD Acc Hdg	USD hedged	LU1299306834	Accumulation	All	None
E EUR Acc	EUR	LU3003216408	Accumulation	All	None
FW EUR Acc	EUR	LU0992624949	Accumulation	Authorised investors*	None
FW EUR Ydis	EUR	LU1792391911	Distribution (annual)	Authorised investors*	None
FW CHF Acc Hdg	CHF hedged	LU0992625086	Accumulation	Authorised investors*	None
FW USD Acc Hdg	USD hedged	LU0992625243	Accumulation	Authorised investors*	None
I EUR Acc	EUR	LU2420653367	Accumulation	Authorised Institutional investors**	EUR 10,000,000**** (initial subscription only)
X EUR Acc	EUR	LU2490324253	Accumulation	Authorised investors***	EUR 10,000,000**** (initial subscription only)

* Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

** Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.

*** Accessible to selected Institutional investors investing on a proprietary basis as authorised by the Management Company on a discretionary basis.

**** The minimum does not apply to Carmignac Group. The minimum applies to each investor.

Shares in EUR are issued at the initial price of EUR 100; Shares in GBP are issued at the initial price of GBP 100; Shares in CHF are issued at the initial price of CHF 100; Shares in USD are issued at the initial price of USD 100.

Net Asset Value (NAV) Valuation Day	Calculated daily in CHF, EUR, GBP and USD on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES

	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee**	**Performance Fees**
A	**Max. 1%**	**0**	**Max. 1%**	**Max. 1.00%**	**Max 0.20%**	**Yes**
AW	**Max. 1%**	**0**	**Max. 1%**	**Max. 1.00%**	**Max 0.20%**	**No**
E	**0**	**0**	**0**	**Max. 1.50%**	**Max 0.20%**	**Yes**
FW	**0**	**0**	**0**	**Max. 0.55%**	**Max 0.20%**	**No**
I	**0**	**0**	**0**	**Max. 0.55%**	**Max 0.20%**	**Yes**
X	**Max 4%**	**0**	**0**	**Max. 0.55%**	**Max. 0.20%**	**Yes**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the

	Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1 January 2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The reference indicator serving as the basis for calculating the performance fee is ICE BofA 1-3 Year All Euro Government Index.

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 11

CARMIGNAC PORTFOLIO CREDIT	
Launch date	This Sub-Fund was created on 31 July 2017.
Investment Objective	The Sub-Fund's investment objective is to outperform its reference indicator, on an annual basis, over a minimum investment period of three years. This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy. This sub-fund does neither have sustainable investment as its objective in accordance with article 9(1) of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR"), nor does it promote environmental or social characteristics in accordance with article 8(1) SFDR. For further information on the exposure of the Sub-Fund's investments to sustainability risks, please refer to section 29 of the General Section of this prospectus.
Reference Indicator	75% The ICE BofA Euro Corporate Index (Bloomberg ticker: ER00) and 25% The ICE BofA Euro High Yield Index (Bloomberg ticker: HE00). The Sub-Fund is rebalanced quarterly. Further information on the indices, how they are composed and calculated is available on the index provider's internet site at www.theice.com. The Sub-Fund's investment universe is mostly independent from the reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the Reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the Reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment Strategy	In order to outperform the reference indicator, this Sub-Fund is mainly invested in a wide spectrum of corporate-issued debt instruments and securitisation instruments (such as described in Part B point 3.4 of the prospectus). The Sub-Fund may also be invested, on an ancillary basis, in government bonds, and exposed, within the limits specified below, to equities and currencies. The Sub-Fund is constructed on the basis of an active and unconstrained management strategy. Investments are made on a discretionary basis without restriction in terms of sector and across all geographical regions, though investments on emerging markets are limited to 25% of the Sub Fund's net assets. The Sub-Fund may be exposed, either directly or indirectly, to equity markets, within the limit of 10% of its net assets. The Sub-Fund's unconstrained management strategy consists in a macro-economic approach to global credit markets, allowing the identification of a target allocation in terms of geographical areas, sectors and asset classes, followed by a discretionary selection of corporate debt, equities and securitisation vehicles tranches. Pursuant to this investment policy, the management team establishes mainly directional positions and, to a lesser extent, uses long/short strategies and/or short-only strategies on all international fixed income markets. The Sub-Fund may use Relative Value strategies as performance drivers, looking to take advantage of the relative value between different instruments, in particular through: - "Long/Short interest rate and short-only interest rates strategies": these offer long and short exposure to different regions, different segments of the yield curve and/or different fixed income instruments, as well as "short only" directional strategies by being short only; - "Long/Short Credit and short-only credit strategies": these offer both long and short exposure to the different segments of the credit market, as well as "short only" directional strategies by being short only. Short strategies will be implemented via financial derivative instruments, in particular via the categories detailed in section "Categories of assets and financial contracts".

Categories of assets and financial contracts	**Debt securities and money market instruments** The investment strategy involves the Sub-Fund investing in fixed and/or floating rate corporate bonds, corporate inflation-linked bonds, as well as money market instruments. The Sub-Fund may invest up to 50% of its net assets in securities rated below investment grade*. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The Sub-Fund may also invest in unrated debt securities. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. If pursuant to such analysis a debt security is assigned an internal rating below investment grade, it is then subject to the limit shown above. The Sub-Fund may also invest up to 10% of its net assets in Distressed Securities and incur the specific risks associated (for further information on Distressed Securities please refer to Part B point 25.3 of the prospectus). The Sub-Fund may hold an ancillary position in inflation-linked government bonds and fixed and/or floating rate government bonds. The Sub-Fund may invest up to 20% of its net assets in securitisation instruments, such as these instruments are listed in point 3.6 of Part B of the prospectus. Investments in securitisation instruments rated below investment grade are authorised within the limit of 10% of the Sub-Fund's net assets. The overall modified duration of the portfolio, defined as the change in portfolio capital (as %) for a change in interest rates of 100 basis points, may fluctuate between -4 and +10. **Equities** The Sub-Fund may be invested, either directly or indirectly, in equity securities, within the limit of 10% of its net assets. **Currencies** Net exposure to currencies other than the Sub-Fund's valuation currency, including emerging markets currencies, generated through securities or derivatives, is limited to 10% of the net assets. **UCIs, investment funds, trackers or Exchange Traded Funds (ETF)** The Sub-Fund may invest up to 10% of its net assets in: - units or shares of UCITS; - units or shares of AIFs; - other investment funds. The Sub-Fund may invest in funds managed by the Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds. **Derivatives** The Sub-Fund may use derivatives for hedging, exposure or arbitrage purposes, such as options (vanilla, barrier, binary), futures and forwards, and swaps (including performance swaps) on one or more underlying. In relation to the markets in which the Sub-Fund invests, the manager invests in futures traded on regulated, organised or OTC Euro-zone and international markets. The Sub-Fund may take part in the credit derivatives market by concluding credit default swaps (CDS) on single name underlying and credit indices, including iTraxx and CDX, in order to sell or purchase protection. The investment in credit derivatives is limited to 30% of the Sub-Fund's net assets. For additional information on CDS and the related risk, please refer to section "Description of Risks" of this prospectus. The Sub-Fund may use total return swaps for exposure or hedging purposes. The exposure to total return swaps is expected to be 10% of the net assets of the Sub-Fund. Said exposure may be greater but is limited to 20% of the net assets of the Sub-Fund. For additional information on total return swaps, please refer to section 3.3. "Use of Total Return Swaps" in Part B of this prospectus. The risks on which the manager wishes to take a position (either directly or using indices) are the following: credit, interest rates, currencies, equities, dividends, and indices – on all of the aforementioned asset classes.

	The use of derivatives is an integral part of the principal policy and they could make a significant contribution to the realisation of the investment objective. The contributions of derivatives to the Sub-Fund's performance are the following, in descending order from the highest to the lowest: credit derivatives, interest rate derivatives, currency derivatives, equity derivatives and dividend derivatives. Derivative transactions are concluded with counterparties selected by the Management Company in accordance with the Best Execution Policy/Best Selection Policy and the procedure for approving new counterparties. **Securities with embedded derivatives** The Sub-Fund may invest up to 10% of its net assets in convertible bonds, as well as up to 20% of its net assets in contingent convertible bonds (and incur specific risks associated, as further described in point 25.3 of Part B of the prospectus). The Sub-Fund may also be invested in credit linked notes, within the limit applicable to securitisation instruments specified above, as well as in point 3.6 of Part B of the prospectus. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 20% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than three years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: credit risk (furthermore, a more specific credit risk linked to the use of credit derivatives exists), interest rate risk, currency risk, equity risk, emerging markets risk, liquidity risk, risks of leverage, volatility risk, counterparty risk, risk of capital loss, specific risks associated with investments in China, risk associated with discretionary management, risks associated with ABS and risk associated with high-yield securities and sustainability risk. **The aforementioned risks are described in detail in sections "Description of Risks" and "Investments in in the People's Republic of China" of this prospectus and in the related KIDs.** **Shareholders must be aware that investments in emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.**
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the VaR (Value at Risk) relative to a reference portfolio (the Sub-Fund's reference indicator will be its reference portfolio). The expected level of leverage, calculated as the sum of nominal amounts without netting or hedging, is 500% but may be higher under certain market conditions (e.g. low/high volatility, low interest rates, central bank intervention). Higher leverage: It will generally result from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions

	opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the actual risk to the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than three years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, in the United States or on behalf of or for the benefit of a U.S. person, as defined in "Regulation S".
Adverse impacts	The management company does not consider for this Sub-Fund adverse impacts of investment decisions on sustainability factors in accordance with article 7 paragraph 2 of the of the Sustainable Finance Disclosure Regulation ("the SFDR").

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU1623762843	Accumulation	All	None
A USD Acc Hdg	USD hedged	LU1623763064	Accumulation	All	None
A CHF Acc Hdg	CHF hedged	LU2020612490	Accumulation	All	None
Income A EUR*, as from 12/9/2025 **A EUR Minc***	EUR	LU1623762926	Distribution (monthly)	All	None
E EUR Acc	EUR	LU3003216580	Accumulation	All	None
F EUR Acc	EUR	LU1932489690	Accumulation	Authorised investors***	None
F CHF Acc Hdg	CHF Hedged	LU2020612730	Accumulation	Authorised investors***	None
F USD Acc Hdg	USD Hedged	LU2020612904	Accumulation	Authorised investors***	None
FW EUR Acc	EUR	LU1623763148	Accumulation	Authorised investors***	None
FW CHF Acc Hdg	CHF Hedged	LU2020612813	Accumulation	Authorised investors***	None
FW USD Acc Hdg	USD Hedged	LU2427321208	Accumulation	Authorised investors***	None
X EUR Acc	EUR	LU2475941915	Accumulation	Authorised investors****	EUR 10,000,000****** (initial subscription only)
X2 CAD Ydis Hdg	CAD	LU2772084237	Distribution (annual)	Authorised investors****	None
X2 CAD Acc Hdg**	CAD	LU2772084310	Accumulation	Authorised investors****	CAD 5,000,000****** (initial subscription only)
Z EUR Acc	EUR	LU2931971134	Accumulation	Investment funds managed by Carmignac *****	None

* The Income shares have an annual dividend target which is established in advance annually for each calendar year. The currently applicable annual distribution target is available on the management company website. A monthly or quarterly interim dividend is paid to investors. If the Sub-Fund's performance is unsatisfactory, the capital initially invested may be paid out until a new dividend target has been set. Undistributed performance is accumulated.

** This share is not launched at the date of publication of the prospectus. The shares will be launched at the management company's discretion.

*** Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

**** Accessible to selected Institutional investors investing on a proprietary basis as authorised by the Management Company on a discretionary basis.

***** Accessible only for investment funds managed by Carmignac.

****** The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in EUR are issued at the initial price of EUR 100; Shares in USD are issued at the initial price of USD 100; Shares in CHF are issued at the initial price of CHF 100; Shares in CAD are issued at the initial price of CAD 100.	
Net Asset Value (NAV) Valuation Day	Calculated daily in EUR, USD, CAD and CHF on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES						
	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee**	**Performance Fees[3]**
A	**Max. 2%**	**0**	**Max. 1%**	**Max. 1.00%**	**Max. 0.20%**	**Yes**
E	**0**	**0**	**0**	**Max. 1.60%**	**Max. 0.20%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.60%**	**Max. 0.20%**	**Yes**
FW	**0**	**0**	**0**	**Max 0.80%**	**Max. 0.20%**	**No**
X	**Max. 4%**	**0**	**0**	**Max 0.80%**	**Max. 0.20%**	**No**
X2	**0**	**0**	**0**	**Max 0.60%**	**Max. 0.20%**	**Yes**
Z	**0**	**0**	**0**	**0**	**Max. 0.20%**	**No**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1 January 2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period

	to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The reference indicator serving as the basis for calculating the performance fee is composed of 75% the ICE BofA Euro Corporate Index (ER00) and 25% the ICE BofA Euro High Yield Index (HE00). The Sub-Fund's reference indicator is rebalanced quarterly. As the weighting of each of the components of the reference indicator may change depending on their respective performances during the quarter, the rebalancing is performed on the last business day of every quarter in order to reset the weighting of each component (to the aforementioned levels).

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 12

CARMIGNAC PORTFOLIO EM DEBT	
Launch date	This Sub-Fund was created on 31 July 2017.
Investment Objective	The Sub-Fund's investment objectives are to deliver sustainable positive returns with attractive Sharpe ratio over a recommended minimum investment period of three years while outperforming its reference indicator and making a positive contribution to society and the environment. In addition, the Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference Indicator	50% JPM GBI–EM Global Diversified Composite Index (Bloomberg ticker: JGENVUEG) and 50% JPM EMBI Global Diversified Hedged Index (Bloomberg ticker: JPEIDHEU). The Sub-Fund's reference indicator is rebalanced quarterly. Further information on these indices, how they are composed and calculated is available on the index provider's internet site at www.jpmorgan.com. The Sub-Fund's investment universe is mostly independent from the Reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment Strategy	The Sub-Fund implements a total return approach striving to deliver sustainable positive returns with attractive Sharpe ratio whatever the market environment over the investment horizon of 3 years. This total return mindset allows to participate in rising markets, while implementing a defensive approach, by hedging the portfolio to market risks, during declining market expectations. In order to meet its investment objectives, this Sub-Fund is mainly invested in a wide spectrum of emerging markets debt instruments. Accordingly, the Sub-Fund is invested in corporate, sovereign and quasi-sovereign bonds (i.e. bonds issued by quasi-sovereign entities which are wholly-owned or 100% guaranteed by a national government), without restriction on credit ratings (including high-yield bonds) and on currencies the securities are denominated in. The allocation between corporate, sovereign and quasi-sovereign bonds is made on a discretionary basis. The Sub-Fund adopts a socially responsible approach by investing in emerging markets sovereign or quasi-sovereign issuers that reflect strong or improving ESG-related characteristics. For details, please refer to annex to this Prospectus. The Sub-Fund is constructed on the basis of an active and unconstrained management strategy with respect to interest rates, credit and currencies, within an emerging markets investment universe. The Sub-Fund offers active management which consists in a macro-economic approach to emerging markets interest rates and credit markets, allowing the identification of a target allocation in terms of geographical areas, sectors and asset classes, combined with a discretionary selection of issuers, issues and financial instruments most suitable to express the management team's top-down views. Pursuant to the investment policy, the management team establishes mainly directional positions and, to a lesser extent, uses long/short strategies and/or short-only strategies on all international fixed income and currency markets. The Sub-Fund's net assets may be exposed directly to emerging markets debt instruments including, within the limit of 30% of the Sub-Fund's net assets, in Chinese domestic securities as described in point 25.1. of Part B of the prospectus (maximum limit including both bonds and equities). Investments in China may be

	performed, inter alia, directly on the China Interbank Bond Market ("CIBM"). The Sub-Fund may hold ancillary positions in bonds issued by sovereign issuers of developed market countries. The Sub-Fund may use Relative Value strategies as performance drivers, looking to take advantage of the relative value between different instruments, in particular through: - "Long/Short Interest Rate and Short-Only Interest Rates strategies": these offer long and short exposure to different regions, different segments of the yield curve and/or different fixed income instruments, as well as "short only" directional strategies by being short only; - "Long/Short and Short-Only Credit strategies": these offer both long and short exposure to the different segments of the credit market, as well as "short only" directional strategies by being short only; and - "Long/Short and Short-Only Currency strategies": these offer exposure to relative changes in two or more currencies. These performance drivers will be exploited, at least partially, through derivatives.
Environmental and social characteristics	**The Sub-Fund promotes environmental and/or social characteristics pursuant to article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the environmental and/or social characteristics of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Debt securities and money market instruments** The Sub-Fund may invest its net assets in fixed and/or floating rate government and/or corporate bonds, inflation-linked bonds, as well as money market instruments, regardless of the currency denomination and credit rating (distressed and defaulted securities being excluded). Additionally, the Sub-Fund may hold distressed corporate bonds within the limit of 5% of its net assets and distressed government bonds within the limit of 15% of its net asset. Investment in Distressed Securities entails specific risks. For further information on Distressed Securities, please refer to Part B point 25.3 of the prospectus). The overall modified duration of the portfolio, defined as the change in portfolio capital (as %) for a change in interest rates of 100 basis points, may fluctuate between -4 and +10. **Equities** The Sub-Fund may hold equity securities as a consequence of the conversion into shares of one or several bonds within the limit of 10% of its net assets. In order to comply with the investment strategy of the Sub-Fund, the manager will be required to sell such equity securities in the best interest of the investors. **UCIs, investment funds, trackers or Exchange Traded Funds (ETF)** The Sub-Fund may invest up to 10% of its net assets in: - units or shares of UCITS; - units or shares of AIFs; - other investment funds. The Sub-Fund may invest in funds managed by the Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds. **Derivatives** The Sub-Fund may use derivatives for hedging purposes, exposure purposes or to implement Long/Short strategies and Short-Only strategies, such as options (vanilla, barrier, binary), futures and forwards, and swaps (including performance swaps) on one or more underlying. In relation to the markets in which the Sub-Fund invests, the manager invests in futures traded on regulated, organised or OTC Euro-zone and international markets. The Sub-Fund may take part in the credit derivatives market by concluding credit default swaps (CDS) on credit indices, including iTraxx and CDX indices, and single name underlying, in order to sell or purchase protection. The investment in credit derivatives is limited to 50% of the Sub-Fund's net assets. For additional information on CDS and the related risk, please refer to section "Description of Risks" of this prospectus. The Sub-Fund may use total return swaps for exposure or hedging purposes. The exposure to total return swaps is expected to be 10% of the net assets of the Sub-Fund. Said exposure may be greater but is limited to 20% of the net assets of the Sub-Fund. For additional information on total return swaps, please refer to section 3.3. "Use of Total Return Swaps" in Part B of this prospectus.

	The risks on which the manager wishes to take a position (either directly or using indices) are the following: currencies, interest rates, credit, volatility and variance (together not exceeding 10% of the net assets), and indices – on all of the aforementioned asset classes (volatility and variance-based derivatives may not exceed 10% of the net assets). The use of derivatives is an integral part of the principal policy and could make a significant contribution to the realisation of the Investment Objective. The contributions of derivatives to the Sub-Fund's performance are the following, in descending orders from the highest to the lowest: currency derivatives, credit derivatives, interest rate derivatives. Derivative transactions are concluded with counterparties selected by the Management Company in accordance with the Best Execution Policy/Best Selection Policy and the procedure for approving new counterparties. **Securities with embedded derivatives** The Sub-Fund may invest in securities with embedded derivatives, especially notes, convertible bonds, credit-linked notes (CLN), EMTN and subscription certificates traded on regulated, organised or over-the-counter Eurozone and/or international (including emerging) markets. The amount of this type of investment in securities with embedded derivatives, excluding contingent convertible bonds, may not exceed 10% of the net assets. The Sub-Fund may invest up to 10% of its net assets in convertible bonds, as well as up to 10% of its net assets in contingent convertible bonds (and incur specific risks associated, as further described in point 25.2 of Part B of the prospectus). **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 20% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than three years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: currency risk, interest rate risk, credit risk (furthermore, a more specific credit risk linked to the use of credit derivatives exists), emerging markets risk, liquidity risk, equity risk, risks of leverage, volatility risk, counterparty risk, risk of capital loss, specific risks associated with investments in China, risk associated with discretionary management, risk associated with high-yield securities and sustainability risk. **The aforementioned risks are described in detail in sections "Description of Risks" and "Investments in in the People's Republic of China" of this prospectus and in the related KIDs.** **Shareholders must be aware that investments in emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.**
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the VaR (Value at Risk) relative to a reference portfolio (the Sub-Fund's reference indicator will be its reference portfolio). The expected level of leverage, calculated as the sum of nominal amounts without netting or hedging, is 2000% but may be higher under certain market conditions. To the extent the level of leverage will exceed

	500% and may reach the 2000% limit (or be higher), the Sub-Fund will only use short term interest rate derivatives for this additional part. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than three years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, in the United States or on behalf of or for the benefit of a U.S. person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU1623763221	Accumulation	All	None
A USD Acc Hdg	USD hedged	LU2427320812	Accumulation	All	None
E EUR Acc	EUR	LU3003216747	Accumulation	All	None
F EUR Acc	EUR	LU2277146382	Accumulation	Authorised investors**	None
F USD Acc Hdg	USD hedged	LU2427320903	Accumulation	Authorised investors**	None
F USD YDis Hdg	USD hedged	LU2346238343	Distribution (annual)	Authorised investors**	None
FW EUR Acc	EUR	LU1623763734	Accumulation	Authorised investors**	None
I EUR Acc*	EUR		Accumulation	Authorised Institutional investors***	EUR 10,000,000***** (initial subscription only)
IW EUR Acc*	EUR		Accumulation	Authorised Institutional investors***	EUR 10,000,000***** (initial subscription only)
I GBP Acc Hdg*	GBP hedged		Accumulation	Authorised Institutional investors***	GBP 10,000,000***** (initial subscription only)
IW GBP Acc Hdg	GBP hedged	LU2638445218	Accumulation	Authorised Institutional investors***	GBP 10,000,000***** (initial subscription only)
I CHF Acc Hdg*	CHF hedged		Accumulation	Authorised Institutional investors***	CHF 10,000,000***** (initial subscription only)
IW CHF Acc Hdg*	CHF hedged		Accumulation	Authorised Institutional investors***	CHF 10,000,000***** (initial subscription only)
I USD Acc Hdg*	USD hedged		Accumulation	Authorised Institutional investors***	USD 10,000,000***** (initial subscription only)
IW USD Acc Hdg*	USD hedged		Accumulation	Authorised Institutional investors***	USD 10,000,000***** (initial subscription only)
X EUR Acc	EUR	LU3119442666	Accumulation	Authorised investors****	EUR 50,000,000****** (initial subscription only)

* This share is not launched at the date of publication of the prospectus. The shares will be launched at the management company's discretion.

** Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.
*** Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.
**** Reserved for UCIs managed by companies belonging to the Carmignac Group.
***** The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in EUR, CHF, USD and GBP are issued at the initial price of EUR 100, CHF 100, USD 100 and GBP 100, respectively;

Net Asset Value (NAV) Valuation Day	Calculated daily in EUR and USD on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES

	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee[2]**	**Performance Fees[3]**
A	**Max. 2%**	**0**	**Max. 1%**	**Max. 1.20%**	**Max. 0.20%**	**Yes**
E	**0**	**0**	**0**	**Max. 1.60%**	**Max. 0.20%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.65%**	**Max. 0.20%**	**Yes**
FW	**0**	**0**	**0**	**Max 0.85%**	**Max. 0.20%**	**No**
I	**0**	**0**	**0**	**Max 0.65%**	**Max. 0.20%**	**Yes**
IW	**0**	**0**	**0**	**Max 0.85%**	**Max. 0.20%**	**No**
X	**0**	**0**	**0**	**Max 0.85%**	**Max. 0.20%**	**No**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately.

	The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1 January 2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The reference indicator serving as the basis for calculating the performance fee is 50% the index JPM GBI – EM Global Diversified Composite Index (JGENVUEG) and 50% JPM EMBI Global Diversified hedged Index (JPEIDHEU). This reference indicator is rebalanced every quarter. As the weighting of each of the components of the reference indicator may change depending on their respective performances during the quarter, the rebalancing is performed on the last business day of every quarter in order to reset the weighting of each component (to the aforementioned levels).

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 13

CARMIGNAC PORTFOLIO PATRIMOINE EUROPE	
Launch date	This Sub-Fund was launched on 29 December 2017
Investment Objective	The Sub-Fund objective is to outperform its reference indicator over a recommended minimum investment period of 3 years. The search for performance involves flexible, discretionary management on equity, fixed income, credit, as well as to a lesser extent foreign exchange markets and the manager's expectations of how economic, corporate, and market conditions will evolve. The Sub-Fund may adopt a defensive strategy if the markets are expected to perform negatively. The Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference Indicator	The reference indicator is composed of the following components: - 40% MSCI Europe NR Index (Bloomberg ticker: NDDUE15); - 40% BofA All Maturity All Euro Government Index (Bloomberg ticker: ECAS); and - 20% €STR capitalised index (Bloomberg ticker: ESTRONCAPL). The MSCI Europe NR Index captures large and mid cap representation across 15 developed markets countries in Europe. The BofA Euro Government Index tracks the performance of EUR denominated sovereign debt publicly issued by Euro member countries in either the Eurobond market or the issuer's own domestic market. ESTER (also "€STR") capitalised index is a Euro short-term interest rate published by the European Central Bank which reflects the wholesale euro unsecured overnight borrowing costs of euro area banks. The reference indicator is rebalanced every quarter. Further information on the indices and interest rates, how they are composed and calculated is available on the index providers' internet sites at www.msci.com, www.ice.com, and at ecb.europa.eu. The Sub-Fund's investment universe is at least partly derived from the Reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the Reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the Reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment Strategy	The Sub-Fund mainly invests in European equities and bonds. "European equities" refer to equity of companies that have their registered office or carry out the bulk of their business in European countries, including Turkey and Russia. "European bonds" refer to debt securities issued by companies/issuers that have their registered office or carry out the bulk of their business in European countries or issued in a European currency. In addition, the Sub-Fund adopts a socially responsible approach using both positive and negative screening to identify companies and issuers with long term sustainable growth criteria. The investment strategy is mainly implemented through a portfolio of direct investments in securities and derivatives on equity, interest rates markets, credit markets and foreign exchange, without restriction in terms of sector, type or market capitalization. Net exposure to non-European currencies is limited to 20% of the Sub-Fund's net assets. Investments in emerging markets are limited to 10% of the Sub-Fund's net assets. As the Sub-Fund is managed on a flexible and active basis, its asset allocation may differ substantially from that of its reference indicator. Indeed, the portfolio managers dynamically manage exposure to the different markets and eligible asset classes, based on expectations of changes in risk/return ratios. Likewise, the portfolio established in each of the asset classes on the basis of detailed financial analysis may vary

	considerably from the weightings of the reference indicator in terms of geographical zones, sectors, ratings and maturities. The allocation of the portfolio between the different asset classes: equities, currencies, interest rates, credit, and investment Sub-Fund categories: equities, balanced, bonds, money market, relies on an analysis of the global macroeconomic environment and its indicators: growth, inflation, deficits and may vary according to the portfolio managers' expectations. **Equity strategy** Stock selection relies on detailed financial analysis, company visits and daily news. Among the criteria used for stock selection are the estimated fair value of stocks, expected return, company earnings growth potential and quality of the management. Additional non-financial analysis such as Environmental, Social and Governance criteria are also implemented in the Sub-Fund to contribute to stock selection decision. **Interest rates and credit strategy** Fixed income instruments selection relies on the analysis of the yield spread between different maturities, yield curve, between different countries and on the analysis of different ratings and bond yields offered by corporate and public issuers. **Foreign exchange strategy** The manager's decisions regarding exposure to foreign exchange risk will be made on the basis of a global macroeconomic analysis, in particular of the outlook for growth, inflation and monetary and fiscal policy of the different economic zones and countries. The Sub-Fund can use Relative Value strategies as performance drivers, looking to take advantage of the relative value between different instruments, in particular through: - "Long/Short Equity strategies": these offer both long and short exposure to equity markets; - "Long/Short Interest Rate strategies": these offer long and short exposure to different regions, different segments of the yield curve and/or different fixed income instruments; - "Long/Short Credit strategies": these offer both long and short exposure to the different segments of the credit market; - "Long/Short Currency strategies": these offer exposure to relative changes in two or more currencies. All these strategies will be exploited through derivatives, at least partially. The manager may also take short positions on the eligible underlying in the portfolio. Short positions are taken through financial derivatives instruments only, including CFD (contracts for difference).
Environmental and social characteristics	**The Sub-Fund promotes environmental and/or social characteristics pursuant to article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the environmental and/or social characteristics of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Equities** Up to 50% of the net assets of the Sub-Fund are exposed to equities and other securities giving or capable of giving direct or indirect access to the capital or voting rights of companies. At least 25% of the net assets of the Sub-Fund shall be invested in equities, either in small, mid and/or large caps. **Debt securities and money market instruments** Between 40% and 100% of the Sub-Fund's net assets are invested in debt instruments including money market instruments, treasury bills, government and/or corporate fixed and/or floating rate bonds and inflation-linked bonds. The Sub-Fund may invest up to 5% of its net assets in Distressed Securities and incur the specific risks associated. For further information on Distressed Securities, please refer to Part B point 25.3 of the prospectus. The overall modified duration of the fixed income portfolio may differ considerably from that of the reference indicator. Modified duration is defined as the percentage change in portfolio value for a change in interest rates of 100 basis points. The Sub-Fund's modified duration may vary between -4 and +10.

The weighted average rating of the debt instruments held directly by the Sub-Fund or through investment in UCITS or other UCIs shall be at least investment grade according to the main rating agencies. The Sub-Fund may invest in debt instruments rated below investment grade, or which are unrated. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. The rating determined pursuant to such analysis is applied to the weighted average rating.

There are no restrictions in terms of duration or allocation between private and public issuers.
The Sub-Fund may invest in non-leveraged exchange-traded commodities (ETC) traded on regulated or organised Eurozone and/or international markets in order to gain exposure to commodities, including precious metals. Investment in ETC is authorised only to the extent that such assets are settled in cash. Global exposure of the Sub-Fund to commodities through all eligible assets is limited to 10% of the net assets.

Currencies

Net exposure to currencies other than the Sub-Fund's valuation currency, including emerging market currencies, generated through direct investments in securities or through derivatives, may differ from that of the reference indicator and/or portfolio of securities alone.

The Sub-Fund uses them for exposure, relative value or hedging purposes.

Derivatives

In order to achieve its investment objective, the Sub-Fund may use derivative instruments for hedging, exposure or arbitrage purposes, such as options (vanilla, barrier, binary), futures and forwards, swaps including performance swaps, and CFDs (contracts for difference) on one or more underlying. In relation to the markets in which the Sub-Fund invests, the manager invests in futures traded on regulated, organised or OTC European and international markets.

The Sub-Fund may take part in the credit derivatives market up to 30% of the net assets, by concluding credit default swaps, CDS, in order to sell or purchase protection. For additional information on CDS and the related risk, please refer to section "Description of Risks" of this prospectus.

The Sub-Fund may use total return swaps for exposure or hedging purposes. The exposure to total return swaps is expected to be 10% of the net assets of the Sub-Fund. Said exposure may be greater but is limited to 20% of the net assets of the Sub-Fund. For additional information on total return swaps, please refer to section 3.3. "Use of Total Return Swaps" in Part B of this prospectus.

The risks on which the manager wishes to take a position, either directly or using indices, are the following: Interest rates, credit, equities, all capitalisations, currencies, ETFs, dividends, volatility and variance, together not exceeding 10% of the net assets, and indices - on all of the aforementioned asset classes, volatility and variance-based derivatives may not exceed 10% of the net assets, as well as commodities (within the global exposure limit through eligible assets of 10% of the net assets).

The use of derivatives is an integral part of the principal policy and they could make a significant contribution to the realisation of the investment objective. The derivatives and derivatives strategies' contributions to the Sub-Fund's performance are the following, in descending orders from the highest to the lowest: equity derivatives, currency derivatives, interest rate derivatives, credit derivatives, furthermore, a more specific credit risk linked to the use of credit derivatives exists, volatility derivatives, commodity derivatives, dividend derivatives, long/short and short only equities, long/short and short only interest rates, long/short and short only credit, short only bonds, long/short and short only currencies, long/short and short only credit.

Securities with embedded derivatives

The Sub-Fund may invest in securities with embedded derivatives, in particular warrants, credit linked notes, EMTN and subscription certificates, traded on European and/or international regulated, organised or over-the-counter markets.

In all cases, the amounts invested in securities with embedded derivatives, excluding contingent convertible bonds, may not exceed 10% of the net assets. The Sub-Fund may also invest 15% of its net assets in CoCos Bonds and incur the specific risks associated.

	The Sub-Fund may invest in European, including Russia and Turkey, and/or international convertible bonds, including those of emerging countries. The Sub-Fund may invest up to 10% of its net assets in securitisation instruments, and in particular Asset Backed Securities (ABS), Residential Mortgage-Backed Securities (RMBS), Commercial Mortgage-Backed Securities (CMBS), Collateralised Loan Obligations (CLO), Credit Linked Notes (CLN) and Enhanced Equipment Trust Certificates (EETC). **UCIs, investment funds, trackers or Exchange Traded Funds (ETF)** The Sub-Fund may invest up to 10% of its net assets in: - units or shares of UCITS; - units or shares of AIFs; - other investment funds. The Sub-Fund may invest in funds managed by the Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds. **Deposits and cash** The Sub-Fund may use deposits in order to optimise its cash management. These investments are made within the limits set out in point 3 of the Part B of the prospectus. The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited. **Cash borrowings** The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 10% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than 3 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent to the investments in transferable securities which the Sub-Fund invests in. The main risks incurred by the Sub-Fund are: equity risk, credit risk (furthermore, a more specific credit risk linked to the use of credit derivatives exists), interest rate risk, currency risk, emerging markets risk, risk associated with commodity indices, liquidity risk, ESG risk, volatility risk, risks of leverage, counterparty risk, risk of capital loss, ABS/MBS risk, risk associated with high-yield securities and sustainability risk. **The aforementioned risks are described in detail in the section "Description of Risks" of this prospectus and in the related KID.** Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not be invested in the best-performing markets at all times.

	Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund partially to Carmignac UK Ltd and partially to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the relative VaR (Value at Risk) method relative to a reference portfolio (the Sub-Fund's reference indicator will be its reference portfolio). The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 1000% but may be higher under certain conditions. To the extent the level of leverage will exceed 500% and may reach the 1000% limit (or be higher), the Sub-Fund will only use short term interest rate derivatives for this additional part. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than 3 years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU1744628287	Accumulation	All	None
AW EUR Acc	EUR	LU1932476879	Accumulation	Investors in Germany**	None
Income A EUR*, as from 12/9/2025 **A EUR Minc***	EUR	LU2490324840	Distribution (monthly)	All	None
E EUR Acc	EUR	LU2490324683	Accumulation	All	None
F EUR Acc	EUR	LU1744630424	Accumulation	Authorised investors***	None
F EUR YDis	EUR	LU2369619742	Distribution	Authorised investors***	None
F GBP Acc Hdg	GBP	LU2970252958	Accumulation	Authorised investors***	None
FW EUR Acc	EUR	LU2490324766	Accumulation	Authorised investors***	None
I EUR ACC	EUR	LU2970252875	Accumulation	Authorised institutional investors****	EUR 10,000,000***** (initial subscription only)

* The Income shares have an annual dividend target which is established in advance annually for each calendar year. The currently applicable annual distribution target is available on the management company website. A monthly or quarterly interim dividend is paid to investors. If the Sub-Fund's performance is unsatisfactory, the capital initially invested may be paid out until a new dividend target has been set. Undistributed performance is accumulated.

** Shares of this Share Class may only be subscribed by investors in Germany.

*** Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

**** Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government

institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article. ***** The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.	
Shares in EUR are issued at the initial price of EUR 100; in USD are issued at the initial price of USD 100.	
Net Asset Value (NAV) Valuation Day	Calculated daily in EUR, and USD on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES						
	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee[2]**	**Performance Fees[3]**
A	**Max. 4%**	**0**	**Max. 1%**	**Max. 1.50%**	**Max. 0.30%**	**Yes**
AW	**Max. 4%**	**0**	**Max. 1%**	**Max. 1.70%**	**Max. 0.30%**	**No**
E	**0**	**0**	**Max. 1%**	**Max. 2.00%**	**Max. 0.30%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.85%**	**Max. 0.30%**	**Yes**
FW	**0**	**0**	**0**	**Max 1.05%**	**Max. 0.30%**	**No**
I	**0**	**0**	**0**	**Max 1.00%**	**Max. 0.30%**	**Yes**
1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.					
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.					
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1 January 2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period					

	to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The reference indicator serving as the basis for calculating the performance fee is composed of 40% MSCI Europe NR index (NDDUE15), 40% BofA All Maturity All Euro Government Index (ECAS Index) and 20% €STR Capitalised index. This reference indicator is rebalanced every quarter. As the weighting of each of the components of the reference indicator may change depending on their respective performances during the quarter, the rebalancing is performed on the last business day of every quarter in order to reset the weighting of each component (to the aforementioned levels).

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 14

CARMIGNAC PORTFOLIO GRANDCHILDREN	
Launch date	This Sub-Fund was launched on 31 May 2019.
Investment Objective	The objective of the Sub-Fund is to achieve long-term capital growth and involves active, flexible management with a focus on equity markets. The Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to the Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference Indicator	This Sub-Fund is actively managed in reference to its Reference indicator, the MSCI WORLD NR index (Bloomberg ticker: M1WO). The Reference indicator represents the largest international companies in developed countries. Further information on the index, how it is composed and calculated is available on the index provider's internet site at www.msci.com. The Sub-Fund's investment universe is at least partly derived from the Reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the Reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the Reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment Strategy	The Sub-Fund's investment strategy is to address the intergenerational goals and targets that many investors have today. Increasing life expectancy and major social change mean many investors are reconsidering how their investments can work for the benefit of their children and grandchildren. These intergenerational goals are set out over the long-term which is consistent with the Sub-Fund's investment horizon. In order to achieve its investment objective, the Sub-Fund seeks to invest in companies that exhibit strong reinvestment rates and recurrent profitability. In addition, the Sub-Fund adopts a socially responsible approach using both positive and negative screening to identify companies with long term sustainable growth criteria. Extensive fundamental analysis of the company financial statements and other qualitative sources of information is carried out to establish the company's growth prospects and potential inclusion in the portfolio. Final stock selection is completely discretionary and relies on the fund manager's expectations and financial and extra financial analysis.
Sustainable investment	**The Sub-fund has a sustainable objective pursuant to article 9 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the sustainable objective of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Equities** At least 51% of the portfolio is invested in global equities, without restrictions in terms of allocation by geographical zone, sector type or market capitalisation. **Debt securities and money market instruments** The Sub-Fund's net assets may be invested on an ancillary basis in money market instruments, negotiable debt securities, and fixed or floating rate, secured debt (including covered bonds), which may be linked to inflation in the Eurozone or international including emerging markets. The Sub-Fund may invest in securities issued by corporate or government issuers There is neither restriction on allocation between corporate and government issuers, nor on the maturity and duration of securities chosen.

The portfolio manager reserves the right to invest up to 10% of the net assets in bonds with a rating below investment grade. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The Sub-Fund may also invest in unrated bonds. The Company carries out its own analysis and assessment of creditworthiness of such unrated debt securities. If pursuant to such analysis a debt security is assigned an internal rating below investment grade, it is then subject to the limit shown above.

For all of these assets, the Management Company will carry out its own analysis of the risk/reward profile of the securities (profitability, creditworthiness, liquidity, maturity). As a result, the decision to buy, hold or sell a security (particularly where agency ratings have changed) is not solely based on the rating criteria, but also reflects an internal analysis of the credit risks and market conditions carried out by the Management Company.

UCIs, investment funds, trackers and Exchange Traded Funds (ETF)

This Sub-Fund may acquire units of other undertakings for collective investment in transferable securities (UCITS) and/or open-ended undertakings for collective investment (UCIs) provided that no more than 10% of its net asset value is invested in the units of these UCITS and/or UCIs.

The Sub-Fund may invest in funds managed by the Management Company or an affiliated company.
The Sub-Fund may use trackers, listed index funds and exchange traded funds.

Real Estate Investment Trusts (REITs)

The Sub-Fund may invest in closed-ended Real Estate Investment Trusts (REITs).

Derivatives

In order to achieve its investment objective, the Sub-Fund may invest in futures traded on Eurozone and international markets, including emerging markets, for exposure or hedging purposes.

The other derivatives that may be used by the portfolio manager for exposure or hedging purposes include CFDs (contracts for difference), forwards, forward exchange contracts, options (simple, barrier, binary), and swaps, involving one or more risks/underlying instruments in which the portfolio manager may invest.

These derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio's overall constraints (within the limit of the Sub-Fund's net assets for each category unless another limit is provided):

- equities;
- currencies;
- interest rate; and
- ETF (financial instruments).

Securities with embedded derivatives

The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, p-notes, convertible bonds, EMTN, or subscription certificates) traded on regulated, organised or over-the-counter Eurozone and/or international markets. Such securities with embedded derivatives are commonly used to provide exposure to equity asset class.

The amount of this type of investment in securities with embedded derivatives may not exceed 10% of the net assets.

Deposits and cash

The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus. The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited.

Cash borrowings

The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus.

	Securities Financing Transactions For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 5% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Fund is to be considered over an investment horizon of more than five years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are risks associated with discretionary management, equity risk, ESG risk, currency risk, interest rate risk, emerging markets risk, credit risk, risks of leverage, counterparty risk, risk associated with high-yield bonds, risk of capital loss, specific risks associated with investments in China and sustainability risk. The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs. Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not be invested in the best-performing markets at all times. Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund partially to Carmignac UK Ltd and partially to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the relative VaR (Value at Risk) method relative to a reference portfolio (the Sub-Fund's reference indicator will be its reference portfolio). The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 200%.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than five years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU1966631001	Accumulation	All	None
AW USD Acc	USD	LU2782951763	Accumulation	All	None
E EUR Acc	EUR	LU3003216234	Accumulation	All	None
F EUR Acc	EUR	LU2004385667	Accumulation	Authorised investors*	None
FW EUR Acc	EUR	LU1966631266	Accumulation	Authorised investors*	None
FW GBP Acc	GBP	LU2427320655	Accumulation	Authorised investors*	None
FW GBP YDis	GBP	LU2427320739	Distribution (annual)	Authorised investors*	None
I EUR Acc	EUR	LU2420652393	Accumulation	Authorised institutional investors**	EUR 10,000,000**** (initial subscription only)

IW EUR Acc	EUR	LU2420652476	Accumulation	Authorised institutional investors**	EUR 10,000,000**** (initial subscription only)
Z EUR Acc	EUR	LU2931971050	Accumulation	Investment funds managed by Carmignac ***	None

* Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.
** Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.
*** Accessible only to investment funds managed by Carmignac.
**** The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in EUR are issued at the initial price of EUR 100.

Net Asset Value (NAV)	Calculated daily in EUR on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES

	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee[2]**	**Performance Fees[3]**
A	**Max. 4%**	**0**	**Max. 1%**	**Max. 1.40%**	**Max. 0.30%**	**Yes**
AW	**Max. 4%**	**0**	**Max. 1%**	**Max. 1.60%**	**Max. 0.30%**	**No**
E	**0**	**0**	**0**	**Max. 2.50%**	**Max. 0.30%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.80%**	**Max 0.30%**	**Yes**
FW	**0**	**0**	**0**	**Max 1.00%**	**Max. 0.30%**	**No**
I	**0**	**0**	**0**	**Max. 0.65%**	**Max. 0.30%**	**Yes**
IW	**0**	**0**	**0**	**Max. 0.80%**	**Max. 0.30%**	**No**
Z	**0**	**0**	**0**	**0**	**Max. 0.30%**	**No**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at

	the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1 January 2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The reference indicator serving as the basis for calculating the performance fee is the MSCI WORLD NR index.

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 15

CARMIGNAC PORTFOLIO HUMAN XPERIENCE	
Launch date	This Sub-Fund was launched on 31 March 2021.
Investment Objective	The objective of the Sub-Fund is to achieve long-term capital growth and involves active, flexible management of investments with a focus on global equity markets. The Sub-Fund seeks to invest sustainably for long-term growth and implements a thematic investment approach seeking to achieve a positive social outcome by investing in companies with superior employee experience and customer experience ('human experience'). Details on how this is applied are described in the annex to this Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference Indicator	This Sub-Fund is actively managed in reference to its Reference indicator the MSCI AC WORLD NR index (Bloomberg ticker: NDUEACWF). The Reference indicator represents the largest international companies in developed and emerging countries. Further information on the index, how it is composed and calculated is available on the index provider's internet site at www.msci.com. The Sub-Fund's investment universe is at least partly derived from the Reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the Reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the Reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment Strategy	In order to achieve its investment objective, the Sub-Fund seeks to invest in equities of companies that exhibit strong 'human experience' characteristics. The investment theme is based on the conviction that companies with strong employee experience and customer experience will achieve superior long-term revenues. The Sub-Fund adopts a best-in-universe socially responsible approach to investment with a prominent focus on investee companies' social and environmental practices, by selecting the best issuers in the investable universe based on their differentiating management of customer and employee satisfaction. The investment strategy is implemented through a portfolio of direct investments in equity and to a lesser extent, derivatives. The Sub-Fund may also, on an ancillary basis, hold cash and/or invest in other transferable securities. The investment strategy is based on a bottom-up analysis of companies that are leaders in the areas of employee experience and customer experience. Stock selection is completely discretionary and relies on the fund manager's expectations and financial and extra financial analysis. The Sub-Fund's investable universe is composed of companies selected through an extensive fundamental analysis of the company financial statements and other qualitative sources of information is carried out to establish the company's social characteristics and potential inclusion in the portfolio.
Sustainable investment	**The Sub-fund has a sustainable objective pursuant to article 9 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the sustainable objective of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Equities** At least 51% of the Sub-Fund's net assets are permanently invested in Eurozone and/or international equity markets. The investment in equity markets in emerging countries does not exceed 20% of the Sub-Fund's net assets. **Debt securities and money market instruments** The Sub-Fund's net assets may be invested on an ancillary basis in money market instruments, negotiable debt securities, and fixed or floating rate, secured debt (including covered bonds), which may be linked to

inflation in the Eurozone and international including emerging markets. The Sub-Fund may invest in securities issued by corporate or government issuers There is neither restriction on allocation between corporate and government issuers, nor on the maturity and duration of securities chosen.

The portfolio manager reserves the right to invest up to 10% of the net assets in bonds with a rating below investment grade. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The Sub-Fund may also invest in unrated bonds. The Company carries out its own analysis and assessment of creditworthiness of such unrated debt securities. If pursuant to such analysis a debt security is assigned an internal rating below investment grade, it is then subject to the limit shown above.

For all of these assets, the Management Company will carry out its own analysis of the risk/reward profile of the securities (profitability, creditworthiness, liquidity, maturity). As a result, the decision to buy, hold or sell a security (particularly where agency ratings have changed) is not solely based on the rating criteria, but also reflects an internal analysis of the credit risks and market conditions carried out by the Management Company.

UCIs, investment funds, trackers and Exchange Traded Funds (ETF)

This Sub-Fund may acquire units of other undertakings for collective investment in transferable securities (UCITS) and/or open-ended undertakings for collective investment (UCIs) provided that no more than 10% of its net asset value is invested in the units of these UCITS and/or UCIs.

The Sub-Fund may invest in funds managed by the Management Company or an affiliated company.
The Sub-Fund may use trackers, listed index funds and exchange traded funds.

Real Estate Investment Trusts (REITs)

The Sub-Fund may invest in closed-ended Real Estate Investment Trusts (REITs).

Derivatives

In order to achieve its investment objective, the Sub-Fund may invest in futures traded on Eurozone and international markets, including emerging markets, for exposure or hedging purposes.

The other derivatives that may be used by the portfolio manager for exposure or hedging purposes include CFDs (contracts for difference), forwards, forward exchange contracts, options (simple, barrier, binary), and swaps, involving one or more risks/underlying instruments in which the portfolio manager may invest.

These derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio's overall constraints (within the limit of the Sub-Fund's net assets for each category unless another limit is provided):

- equities;
- currencies;
- interest rate; and
- ETF (financial instruments).

Securities with embedded derivatives

The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, p-notes, convertible bonds, EMTN, or subscription certificates) traded on regulated, organised or over-the-counter Eurozone and/or international markets. Such securities with embedded derivatives are commonly used to provide exposure to equity asset class.

The amount of this type of investment in securities with embedded derivatives may not exceed 10% of the net assets.

Deposits and cash

The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus. The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited.

	Cash borrowings The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 5% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Fund is to be considered over an investment horizon of more than five years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are risks associated with discretionary management, equity risk, ESG risk, currency risk, interest rate risk, emerging markets risk, credit risk, risks of leverage, counterparty risk, risk associated with high-yield bonds, risk of capital loss, specific risks associated with investments in China and sustainability risk. The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs. Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not be invested in the best-performing markets at all times. Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund partially to Carmignac UK Ltd and partially to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the relative VaR (Value at Risk) method relative to a reference portfolio (the Sub-Fund's reference indicator will be its reference portfolio). The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 200%. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than five years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU2295992163	Accumulation	All	None
F EUR Acc	EUR	LU2295992247	Accumulation	Authorised investors*	None
FW GBP Acc	GBP	LU2601234839	Accumulation	Authorised investors*	None
X EUR Acc	EUR	LU2947293564	Accumulation	Authorised investors**	EUR 10,000,000*** (initial subscription only)

* Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.
*** Accessible to selected Institutional investors investing on a proprietary basis as authorised by the Management Company on a discretionary basis.
**** The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in EUR and GBP are issued at the initial price of EUR 100 and GBP 100, respectively.

Net Asset Value (NAV)	Calculated daily in EUR on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES

	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee[2]**	**Performance Fees[3]**
A	**Max. 4%**	**0**	**Max. 1%**	**Max. 1.50%**	**Max. 0.30%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.85%**	**Max 0.30%**	**Yes**
FW	**0**	**0**	**0**	**Max. 1.05%**	**Max 0.30%**	**No**
X	**0**	**0**	**0**	**Max. 0.85%**	**Max 0.30%**	**No**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since the start of application of performance fees; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw

	back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fee and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The reference indicator serving as the basis for calculating the performance fee is the MSCI AC WORLD NR index.

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 16

CARMIGNAC PORTFOLIO CHINA NEW ECONOMY	
Launch date	This Sub-Fund was launched on 31 March 2021.
Investment Objective	The Sub-fund's objective is to outperform the Reference indicator over a recommended minimum investment horizon of 5 years. In addition, the Sub-Fund seeks to invest sustainably and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following website: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference Indicator	This Sub-Fund is actively managed in reference to its Reference indicator, the MSCI CHINA NR index (Bloomberg ticker: NDEUCHF). The Reference indicator is an index representative of the universe of Chinese large and mid-cap companies through H and B shares as well as shares listed on foreign markets (ex ADRs). It also includes large capitalizations issued as A shares (up to 20% of their market capitalization adjusted for free float). Further information on the index, how it is composed and calculated is available on the index provider's internet site at www.msci.com. The Sub-Fund's investment universe is at least partly derived from the Reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the Reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the Reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment Strategy	The Sub-Fund's investment strategy is to invest in equities issued by companies or issuers having their registered office or exercising a predominant part of their activity in Greater China including Mainland China, Hong Kong, Macao, Taiwan and Singapore ("Greater China"). The reference to the Chinese "New Economy" reflects the manager's desire to invest in a privileged manner in sectors of the Greater China economy not explicitly linked to the purely export industry component of the economy or traditional raw materials. This involves in particular, and without being limited to, investments in companies present in sectors linked to consumption, low-carbon energy, technological innovation and phenomena of urbanization and rising standard of living. In addition, the Sub-Fund adopts a socially responsible approach using both positive and negative screening to identify companies with long term sustainable growth criteria. The Fund is managed on a discretionary basis with an investment strategy implemented mainly through the portfolio of securities invested in Chinese equities. The investment strategy is made without restriction of allocation by sector, type and size of securities. The choice of investment is determined by financial studies, meetings organized by companies, visits to these companies and daily news. The criteria used are, depending on the case, the valuation of the assets, the performance, the growth and the quality of the managers. The distribution of the portfolio among the different asset classes (including investment funds) and portfolio construction are based on a fundamental analysis of the Chinese economy and more specifically its development prospects (growth, inflation, deficits, etc.) and may vary depending on the manager's expectations. In order to achieve the management objective, the manager may use forward financial instruments (derivative instruments) on the equity, foreign exchange and interest rate markets.
Environmental and social characteristics	**The Sub-Fund promotes environmental and/or social characteristics pursuant to article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the environmental and/or social characteristics of this Sub-Fund is available in the annex to this Prospectus.**

Categories of assets and financial contracts	**Equities** At least 75% of the portfolio is invested directly or indirectly in shares issued by companies or issuers having their registered office or exercising a predominant part of their activity in Greater China without restrictions in terms of allocation by security type, sector type or market capitalisation. **Debt securities and money market instruments** The sub-fund may be invested up to a maximum of 25% in (i) money market instruments denominated in euros, at fixed or variable rates issued by public issuers or (ii) in sovereign bonds issued by a country of the euro zone, with a rating of at least "investment grade" according to the scale of the main rating agencies or a rating deemed equivalent by the Management Company. **UCIs, investment funds, trackers and Exchange Traded Funds (ETF)** This Sub-Fund may acquire units of other undertakings for collective investment in transferable securities (UCITS) and/or open-ended undertakings for collective investment (UCIs) provided that no more than 10% of its net asset value is invested in the units of these UCITS and/or UCIs. The Sub-Fund may invest in funds managed by the Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds. **Real Estate Investment Trusts (REITs)** The Sub-Fund may invest in closed-ended Real Estate Investment Trusts (REITs). **Derivatives** In order to achieve its investment objective, the Sub-Fund may invest in futures traded on Eurozone and international markets, including emerging markets, for exposure or hedging purposes. The other derivatives that may be used by the portfolio manager for exposure or hedging purposes include CFDs (contracts for difference), forwards, forward exchange contracts, options (simple, barrier, binary), and swaps, involving one or more risks/underlying instruments in which the portfolio manager may invest. These derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio's overall constraints (within the limit of the Sub-Fund's net assets for each category unless another limit is provided): - equities; - currencies; - interest rate; and - ETF (financial instruments). **Securities with embedded derivatives** The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, p-notes, convertible bonds, EMTN, or subscription certificates) traded on regulated, organised or over-the-counter Eurozone and/or international markets. Such securities with embedded derivatives are commonly used to provide exposure to equity asset class. The amount of this type of investment in securities with embedded derivatives may not exceed 10% of the net assets. **Deposits and cash** The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus. The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited. **Cash borrowings** The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions").

	The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 5% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Fund is to be considered over an investment horizon of more than five years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are specific risks associated with investments in China, risks associated with discretionary management, equity risk, ESG risk, currency risk, interest rate risk, emerging markets risk, credit risk, risks of leverage, counterparty risk, risk associated with high-yield bonds, risk of capital loss and sustainability risk. The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs. Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not be invested in the best-performing markets at all times. Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund to partially to Carmignac UK Ltd and partially to Carmignac Gestion in Paris (France).
Method for determining overall risk	Overall risk is calculated using the commitment method.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than five years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU2295992320	Accumulation	All	None
F EUR Acc	EUR	LU2295992676	Accumulation	Authorised investors*	None

* Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

Shares in EUR are issued at the initial price of EUR 100. Shares in USD are issued at the initial price of USD 100.

Net Asset Value (NAV)	Calculated daily in EUR on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France and when the exchanges are closed in the United States (NYSE, AMEX, Nasdaq), the People's republic of China (Shanghai or Shenzhen stock exchanges) or Hong Kong, in which case the NAV is calculated on the next full bank business day in Paris.
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 2 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES						
	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee[2]**	**Performance Fees[3]**
A	**Max. 4%**	**0**	**Max. 1%**	**Max. 1.50%**	**Max. 0.30%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.85%**	**Max 0.30%**	**Yes**
1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.					
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.					
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since the start of application of performance fees; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of 5 years begins when the performance fee is paid and every five years when no performance fee has been paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fee and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The reference indicator serving as the basis for calculating the performance fee is the MSCI CHINA NR index.					

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 17

CARMIGNAC PORTFOLIO EVOLUTION	
Launch date	This Sub-Fund was launched on 29 September 2022.
Investment Objective	The Sub-Fund's objective is to achieve long term capital growth. This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy. This sub-fund does neither have sustainable investment as its objective in accordance with article 9(1) of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR"), nor does it promote environmental or social characteristics in accordance with article 8(1) SFDR. For further information on the exposure of the Sub-Fund's investments to sustainability risks, please refer to section 29 of the General Section of this prospectus.
Reference Indicator	Performance of the Sub-Fund is not measured against a reference indicator.
Investment strategy	This Sub-Fund implements a flexible and global portfolio allocation strategy. It seeks to achieve an optimal exposure to a range of asset classes including, but not limited to, equity, debt securities (including convertible bonds), money market instruments and currencies. It allocates its assets dynamically between various investments to optimise the risk/reward profile of the investment portfolio and to achieve its investment objective of term-term capital growth. The flexible and global portfolio allocation is performed based on a combination of discretionary and quantitative analysis which aims at exploiting mutual de-correlation of individual investments to maximise the capital growth potential for a given level of risk. The portfolio allocation is reassessed frequently. The Sub-Fund incorporates an "equity step-up" mechanism, whereby at the launch of the strategy, the Sub-Fund is mainly exposed to debt securities and money market instruments and whereby, over a period of five (5) first years after launch, it gradually increases its exposure to equity securities.
Categories of assets and financial contracts	**UCIs, investment funds, trackers or Exchange Traded Funds (ETF)** The Sub-Fund seeks to achieve the desired exposure to optimal range of assets primarily through investment in shares of investment funds managed by the Carmignac group ("Carmignac funds"), including Sub-Funds of the Company. In case that the portfolio manager considers the optimal portfolio allocation cannot be achieved by investment into Carmignac funds, the Sub-Fund may invest up to 25% of its assets in other investment funds, including but not limited to UCITS ETFs. The Sub-Fund performs an "equity step-up" mechanism whereby its investments in equity funds are increased as follows: • During the first two (2) years after launch (from 30 July 2022 until 29 July 2024), the Sub-Fund is mostly invested in investment funds with invest predominantly into debt securities and money market instruments. The maximum investment in investment funds (including ETFs) which invest predominantly in equity is limited to 45% of the Sub-Fund's net assets. • During the following three (3) years (from 30 July 2024 to 29 July 2027), the Sub-Fund will gradually increase its investments in investment funds which invest predominantly in equity securities and decrease its investments in investment funds which invest in debt securities. The minimum investment in investment funds (including ETFs) which invest in equity is set at 20% of the Sub-Fund's net assets. • After its fifth year after launch (from 30 July 2027 onwards), the Sub-Fund will mostly invest in target funds which invest predominantly in equity. The minimum investment in such funds (including ETFs) is increased to 60% of the Sub-Fund's net assets. **Debt securities and money market instruments** The Sub-Fund may, on an ancillary basis, directly invest in negotiable debt securities, money market instruments, and fixed or floating rate, covered or uncovered bonds, which may be linked to inflation in the

Eurozone and/or international markets. The Sub-Fund may invest in debt securities issued by corporate or government issuers. The rating of the debt instruments directly held by the Sub-Fund shall be at least investment grade according to at least one of the major rating agencies. The investments could be denominated in currencies other than the base currency of the Sub-Fund.

Derivatives

In order to achieve its investment objective, the Sub-Fund may directly invest in derivatives to gain exposure to various asset classes, currencies or regions on Eurozone and international, regulated, organized or over-the-counter markets.

The derivative instruments may include options (simple, barrier, binary), futures, forwards, forward exchange contracts, swaps (including performance swaps), CDS indices, swaptions and CFD (contracts for difference), involving one or more risks and/or underlying instruments (securities, indices, baskets) which the portfolio manager may invest in.

The Sub-Fund may take part in the credit derivatives market up to 20% of the net assets, by concluding credit default swaps (on indices only), in order to sell or purchase protection. For additional information on CDS and the related risk, please refer to section "Description of Risks" of this prospectus.

These derivatives allow the portfolio manager to expose the Sub-Fund to the following risks, while respecting the portfolio's overall constraints:

- equities;
- interest rates;
- credit (up to 20% of the net assets);
- currencies; and
- volatility and variance derivatives (up to 10% of the net assets).

The Sub-Fund may directly invest in abovementioned derivatives also for hedging purposes.

Strategy for using derivatives to achieve the investment objective

In order to achieve the investment objective, the portfolio manager may use equity derivatives, currency derivatives, interest rates derivatives, credit derivatives, volatility instruments for the purpose of hedging or exposure as being detailed in point 26 of part B of the prospectus.

Overall exposure to derivatives is controlled by combining leverage, calculated as being the sum of nominal amounts without netting or hedging, with the fund's VaR limit (cf. "Risk Profile" below).

Indirect exposure to certain asset classes and instruments

The investment manager does not intend to invest directly in securitization instruments such Asset Backed Securities (ABS), contingent convertible bonds ("CoCos") or distressed securities, however the Sub-Fund may have an exposure (and incur specific risks associated, as further described general part of the prospectus) through the underlying investment funds.

The Sub-Fund's exposure through the underlying investment funds may include investment into debt instruments with a rating below investment grade, or which are unrated. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities.

The Sub-Fund, through investment in underlying investment funds, may invest up to 10% of its net assets in securitization instruments, and in particular Asset Backed Securities (ABS), Residential Mortgage-Backed Securities (RMBS), Commercial Mortgage-Backed Securities (CMBS), Collateralised Loan Obligations (CLO), Credit Linked Notes (CLN) and Enhanced Equipment Trust Certificates (EETC).

The Sub-Fund, through investment in underlying investment funds, may invest up to 5% of its net assets in Distressed Securities and up to 10% of its net assets in contingent convertible bonds ("CoCos") and incur the specific risks associated with the Distressed Securities and Cocos, as described in the general section of this prospectus.

Deposits and cash

The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus.

	The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited. **Cash borrowings** The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over a recommended minimum investment horizon of 5 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The risk profile of the Sub-Fund will change during the five (5) first years of the Sub-Fund. Due to the equity step-up process, the risks and expected returns are at their lowest level during the two first years after the launch as most assets are invested in target funds which invest in debt securities. The risks and expected returns will gradually increase during the following three years of the Sub-Fund as the more of its assets will be invested in target funds which invest in equity securities. The risks and expected returns are expected to reach their highest level after the fifth year as most of theassets will be invested in target funds which invest in equity securities. The main risks incurred by the Sub-Fund are: risk associated with discretionary management, risk of capital loss, equity risk, currency risk, interest rate risk, credit risk (furthermore, a more specific risk linked to the use of credit derivatives exists), emerging markets risk, liquidity risk, volatility risk, risks of leverage, counterparty risk, legal risk and sustainability risk. The risks incurred indirectly via investment in the underlying investment funds, including in Carmignac funds may also include: specific risks associated with investments in China, risk associated with high-yield securities, securitization, distressed securities, contingent convertible bonds and temporary purchases and sales of securities. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.** Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not be invested in the best-performing markets at all times. **Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.**
Investment Manager	The Sub-Fund is managed by the Management Company. The Management Company has partially delegated the investment management to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the absolute VaR (Value at Risk) method. The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 200% but may be higher under certain conditions. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended minimum investment period of 5 years and planning to retain their investment for the recommended minimum investment period. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

Adverse impacts	The management company does not consider for this Sub-Fund adverse impacts of investment decisions on sustainability factors in accordance with article 7 paragraph 2 of the of the Sustainable Finance Disclosure Regulation ("the SFDR")

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
M EUR Acc	EUR	LU2462965026	Accumulation	Authorised Institutional investors*	None

* Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.

Shares in EUR are issued at the initial price of EUR 100.

Net Asset Value (NAV) Valuation Day	Calculated daily in EUR on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.
Initial Offer period	The Sub-Fund had an initial offer period from 3 June 2022 to 4 April 2023 (the "Initial Offer Period ") during which the Shareholders may subscribe for the Sub-Fund shares. No subscriptions will be accepted after the Initial Offer Period. The Board of Directors may extend or reduce the Initial Offer Period at its discretion.

FEES

	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company			Payable by the Shareholders to the Management Company
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee[2]**	**Performance Fees**	**Early Redemption Fees[3]**
M	**0**	**0***	**0***	**Max 1.10%**	**Max. 0.15%**	**No**	**Yes**
1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. To avoid double charge, the Management Fees charged by Carmignac funds are taken into account and the accumulative Management Fee shall not exceed 1.10% of the NAV. Furthermore, the Sub-Fund is not charged subscription, redemption and conversion fees for its investments into Carmignac funds.						
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.						
3	The Shareholders who request to redeem or convert their Shares prior to 29 June 2027 will be subject to an early redemption fee (the "Early Redemption Fee") as set out below. The Board of Directors may partly or entirely waive						

<table>
<tr><td></td><td>the Early Redemption Fee amount in their sole discretion. In the case of the conversion of Income Shares into Accumulation Shares and vice versa within the Sub-Fund, no Early Redemption Fee will be payable.
<table>
<tr><td>Months since launch of the sub-fund</td><td><6</td><td><12</td><td><18</td><td><24</td><td><30</td><td><36</td><td><42</td><td><48</td><td><54</td><td><60</td></tr>
<tr><td>Early redemption fee</td><td>2.5%</td><td>2.25%</td><td>2%</td><td>1.75%</td><td>1.5%</td><td>1.25%</td><td>1%</td><td>0.75%</td><td>0.5%</td><td>0.25%</td></tr>
</table></td></tr>
<tr><td>*</td><td>Early redemption fee may apply, payable to the Management Company. See footnote 3.</td></tr>
</table>

CARMIGNAC PORTFOLIO MERGER ARBITRAGE PLUS	
Launch date	This Sub-Fund will be launched on 14 April 2023.
Investment Objective	The Sub-Fund seeks to achieve a positive absolute return over a 3-year investment horizon through capital growth. In addition, the Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference Indicator	The Performance of the Sub-Fund is not measured against a reference indicator.
Investment Strategy	The Sub-Fund's investment strategy is to invest in shares of companies undergoing mergers worldwide. The Sub-Fund will select for its investment a relative larger weight on mergers with relatively higher expected returns and lower probability of successful completion of mergers. The Sub-Fund is designed for those investors who seek for absolute positive returns of a traditional alternative strategy with limited correlation to equity markets. The Sub-Fund establishes a diversified portfolio of merger positions with an expected leverage of 400%. The Sub-Fund will invest in shares of companies directly and through derivatives with a maximum gross equity exposure of 500 %. The remaining cash (theoretically up to 75% of Sub-fund's net assets) will be invested short term debt securities and other assets as further detailed in "Categories of assets and financial contracts" below. The Sub-Fund will deploy capital in merger arbitrage situations depending on investment opportunities and market conditions. The Sub-Fund will purchase or sell shares in the companies involved in a declared merger or an announced tender offer, or in other special situations which may include demergers (spin offs), changes in shareholding, changes in capital structure, changes in management and strategy, etc. The Sub-Fund may also, to a lesser extent, invest in shares of companies subject to other announced deals such as non-binding, indicative or preliminary offers and squeeze out offers where a shareholder with a major controlling stake and/or voting rights initiates a specific delisting procedure to acquire the remaining shares. Merger or acquisition usually takes place by means of a merger announced between two companies or a take-over bid (also called tender offer), which is an offer made by one company to purchase all or part of shareholders' stock in another corporation. Take-over bids are usually made publicly and invite shareholders to sell their shares for a set price and within a set timeframe. Alternatively, the buyer may offer its own shares as means to pay for the tender offer. The price offered is usually at a premium to the market price and often depends on a minimum or a maximum number of shares sold. The Sub-Fund's investment strategy is to benefit from the price discontinuities ("arbitrage") of the shares related to these transactions. The Sub-Fund's investment strategy is an alternative strategy referred to as "special situations". According to this methodology, the Sub-Fund invests in assets in special situations which consist of any type of event that may create discontinuity in the price of an asset. Each special situation is analysed to identify the investment opportunity offering the optimum risk/return ratio in relation to that special situation in the Sub-Fund's portfolio, irrespective of the geography, market capitalization or sector. The selection of Sub-Fund's positions is discretionary. It is based on an analysis to determine the risk/return ratio pairing for each special situation. The positions offering the best risk/return ratio pairing in line with the fund's objective and which meet the total risk criteria of the portfolio are added to the Sub-Fund's portfolio.

	The main risk of the strategy is that the (merger) transaction will not be completed. The quantification of the risk/return ratio requires a detailed examination of the probability of success of each special situation under consideration. Before addition a position into the portfolio, the portfolio manager endeavours to identify all the risks associated with the position, the extent which these risks are compatible with the portfolio and the risks to be hedged where necessary. To implement its investment strategy, the Sub-Fund will, depending on the analysis of the nature and the announced terms of the declared merger or tender offer, conduct long transactions, long/short transactions (in which a purchase of securities is offset by the sale of another security), and rarely short transactions (only if the merger transaction is expected to fail) on equity of companies contained in above mentioned financial transactions. Long positions will be taken with investment in equity of these companies (or equity indices) or through financial derivative instruments, and more particularly CFDs, where the underlying is equity of these companies (or equity indices). Short positions will be taken only through financial derivative instruments (where the underlying is equity of these companies or equity indices). For the avoidance of doubt, the Sub-Fund will not acquire shares carrying voting rights (of companies undergoing mergers or other companies) which would enable it to exercise significant influence in the investee companies in accordance with the art 48 of the Law of 2010, as may be amended or superseded.
Environmental and social characteristics	**The Sub-Fund promotes environmental and/or social characteristics pursuant to article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the environmental and/or social characteristics of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Equities** The Sub-Fund invests at least 25% of its net assets in shares of companies undergoing mergers worldwide, traded on a regulated market in all sectors, geographical areas and of any capitalization, focusing on regulated markets in the developed countries. The Sub-fund typically seeks investment in large and mid-cap securities but has the capability to invest also in small market cap stock depending on the opportunities. **Debt securities and money market instruments** In order to allow the portfolio manager to implement the merger arbitrage strategy with the use of derivatives, cash and collateral is deployed. For this purpose, up to 75% of the Sub-Fund's net assets may be invested in money market instruments, negotiable debt securities, and fixed or floating rate, secured (including covered bonds), which may be linked to inflation in the Eurozone or international including emerging markets. The Sub-Fund may invest in securities issued by corporate or government issuers. There are neither restriction on allocation between corporate and government issuers, nor on the maturity and duration of securities chosen. The portfolio manager reserves the right to invest up to 10% of the net assets in bonds with ratings below investment grade. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. the Sub-Fund may also invest in unrated debt securities. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. If pursuant to such analysis a debt security is assigned an internal rating below investment grade, it is then subject to the limit shown above. For all of these assets, the Management Company will carry out its own analysis of the risk/reward profile of the securities (profitability, creditworthiness, liquidity, maturity). As a result, the decision to buy, hold or sell a security (particularly where agency ratings have changed) is not solely based on the rating criteria, but also reflects an internal analysis of the credit risks and market conditions carried out by the Management Company. **UCIs, investment funds, trackers and Exchange Traded Funds (ETF)** The Sub-Fund may invest up to 10% of its net assets in: - units or shares of UCITS; - units or shares of AIFs; - other investment funds, The Sub-Fund may invest in funds managed by the Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds.

Derivatives

In order to achieve its investment objective, the Sub-Fund will invest in financial derivative instruments (CFDs, futures, options and swaps) on regulated or OTC markets, for exposure, arbitrage or hedging purposes.
The underlying of these derivative financial instruments can be equities and/or securities equivalent to equities, equities indices or currencies (currencies for hedging purposes only).

The derivatives likely to be used by the portfolio manager include options (simple, barrier, binary), futures, forwards, forward exchange contracts, swaps (including performance swaps), and CFDs (contracts for difference), involving one or more risks/underlying instruments in which the portfolio manager may invest.

These derivatives allow the portfolio manager to expose the Sub-Fund to, or hedge the Sub-Fund against the following risks, while respecting the portfolio's overall constraints (within the limit of the Sub-Fund's net assets for each category unless another limit is provided):

- equities;
- currencies;
- interest rate;
- dividends;
- volatility and variance (up to 10% of the net assets);
- ETF (financial instruments).

The use of derivatives is an integral part of the principal policy and they make a significant contribution to the realisation of the investment objective. The derivatives' contributions to the Sub-Fund's performance are the following, in descending orders from the highest to the lowest: equity derivatives (long positions, "long/short" and "short only"), currency derivatives (long position, "long/short" and "short only"), "fixed income arbitrage" and "short only" bonds, volatility derivatives, dividend derivatives, commodity derivatives, interest rate derivatives.

Securities with embedded derivatives

The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, convertible bonds, credit-linked notes (CLN), EMTN, subscription certificates) traded on regulated, organised or over-the-counter Eurozone and/or international markets.
The amount of this type of investment in securities with embedded derivatives may not exceed 10% of the net assets.

Deposits and cash

The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus.

The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited.

Cash borrowings

The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus.

Securities Financing Transactions

For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions").

The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to

	securities lending. The Sub-Fund expects to subject between 0% and 10% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Fund is to be considered over an investment horizon of more than 3 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: equity risk, arbitrage risk, long/short risk, liquidity risk, currency risk, interest rate risk, emerging markets risk, credit risk, risks of leverage, counterparty risk, risk associated with high-yield bonds, risk of capital loss and sustainability risk. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.**
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the absolute VaR (Value at Risk) method. The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 400% but may be higher under certain conditions. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than 3 years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU2585801256	Accumulation	All	None
A USD Acc Hdg*	USD (hedged)	LU2601233864	Accumulation	All	None
A CHF Acc Hdg*	CHF (hedged)	LU2601234599	Accumulation	All	None
F EUR Acc	EUR	LU2585801173	Accumulation	Authorised investors**	None
F USD Acc Hdg	USD (hedged)	LU2601233948	Accumulation	Authorised investors**	None
F GBP Acc Hdg	GBP (hedged)	LU2601234169	Accumulation	Authorised investors**	None
F CHF Acc Hdg*	CHF (hedged)	LU2601234672	Accumulation	Authorised investors**	None
I EUR Acc	EUR	LU2585801330	Accumulation	Authorised institutional investors***	EUR 10,000,000****** (initial subscription only)
I USD Acc Hdg	USD (hedged)	LU2601234086	Accumulation	Authorised institutional investors***	USD 10,000,000****** (initial subscription only)

I GBP Acc Hdg	GBP (hedged)	LU2601234326	Accumulation	Authorised institutional investors***	GBP 10,000,000****** (initial subscription only)
I CHF Acc Hdg*	CHF (hedged)	LU2601234755	Accumulation	Authorised institutional investors***	CHF 10,000,000****** (initial subscription only)
X EUR Acc	EUR	LU3016365556	Accumulation	Authorised investors****	EUR 50,000,000****** (initial subscription only)
Z EUR Acc	EUR	LU2931971217	Accumulation	Investment funds managed by Carmignac*****	None

* This share has not been launched at the date of publication of the prospectus. The shares are launched at the management company's discretion.
** Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.
*** Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.
**** Accessible to selected Institutional investors investing on a proprietary basis as authorised by the Management Company on a discretionary basis.
***** Accessible only to investment funds managed by Carmignac.
****** The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in EUR are issued at the initial price of EUR 100.

Net Asset Value (NAV) Valuation Day	Calculated daily in EUR on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES						
	Payable by the Shareholders to the distributors			**Payable by the Sub-Fund to the Management Company**		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee[2]**	**Performance Fees[3]**
A	**Max. 1%**	**0**	**Max. 1%**	**Max. 1.50%**	**Max. 0.30%**	**Yes**
F	**0**	**0**	**0**	**Max. 1.00%**	**Max. 0.30%**	**Yes**
I	**0**	**0**	**0**	**Max. 1.00%**	**Max. 0.30%**	**Yes**
X	**0**	**0**	**0**	**Max 1.00%**	**Max 0.30%**	**Yes**
Z	**0**	**0**	**0**	**0**	**Max. 0.30%**	**No**
1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.					
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and					

	operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the absolute performance of the share class. Provided that the value of the relevant Share has appreciated during performance period, a provision of 20% of the appreciation of the value of shares is established. Furthermore, the performance fee is based on High-Water Mark (HWM) model whereby the performance fee will be charged only if the value of shares at the end of the performance period exceeds the highest value of shares at the end of any five (5) preceding performance periods ("High-Water Mark"). The value of shares at the launch of the sub-fund constitutes the first High-Water Mark. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus.

CARMIGNAC PORTFOLIO INFLATION SOLUTION	
Launch date	This Sub-Fund will be launched on 15 December 2023.
Investment Objective	The fund seeks to achieve total return, targeted to be above Eurozone inflation over the recommended investment period of more than five (5) years, through capital growth, income and relative-value trades. To reach this objective, the fund will invest in a wide range of traditional assets (e.g. equities, bonds, money markets and currencies) and in some inflation-sensitive assets (e.g. commodities such as gold and copper and inflation-linked instruments.) This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy. This sub-fund does neither have sustainable investment as its objective in accordance with article 9(1) of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR"), nor does it promote environmental or social characteristics in accordance with article 8(1) SFDR. For further information on the exposure of the Sub-Fund's investments to sustainability risks, please refer to section 29 of the General Section of this prospectus.
Reference Indicator	The reference indicator is Eurostat Euro HICP ex tobacco index (Bloomberg ticker: CPTFEMU; interpolated into a daily quote) which provides for an indicative inflation reference in the Eurozone. The Harmonised Index of Consumer Prices (HICP; unrevised) is an indicator of inflation and price stability for the European Central Bank (ECB). It is a consumer price index which is compiled according to a methodology that has been harmonised across EU countries. The euro area HICP is a weighted average of price indices of member states who have adopted the euro. It is published monthly in the Official Journal of the EU and unrevised. It is interpolated by using a linear line between the two latest monthly quotes to provide for a daily quote. Please refer to the management company website for details on the interpolation methodology. The Sub-Fund's investment universe is totally independent from the reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment Strategy	The Sub-Fund applies a multi-asset strategy which seeks to achieve its investment objective by investing, and taking exposure in a wide range of traditional assets (e.g. equities, bonds, money markets and currencies) and in some inflation-sensitive securities such as commodities (e.g. precious metals, industrial metals and energy such as gold, copper and crude oil) and inflation-linked securities (e.g. inflation swaps and inflation-linked bonds). The investment process is the result of combining two strategy components, including: - A multi-asset strategy composed of investments in traditional asset classes (e.g. equity, fixed-income and money market) and commodities aimed to deliver capital growth and income in various inflation environments. This multi-asset strategy is based on a core long-term asset allocation that will also be tactically adjusted to (1) manage (or hedge) the global exposures of the portfolio, increase or decrease the equity exposure of the fund and increase or reduce the duration of the fund and to (2) take advantage of potential opportunities offered by markets through directional or relative value trades. Tactical adjustments to the multi-asset strategy are executed on an active discretionary basis by the management team by analysing the global macro-economic conditions and market technicals. - An inflation-linked strategy composed of inflation swaps and inflation-linked bonds aimed to help mitigate the inflation surprises; and To implement this approach, the Sub-Fund will take directional and non-directional (or hedged) positions, long and/or short, in a range of securities, instruments and asset classes. The Sub-Fund may implement these positions either with derivatives or by purchasing direct securities or funds.

	The Sub-Fund employs a top-down macro-driven discretionary fundamental approach. Investment decisions are made by evaluating various factors, such as macroeconomic and structural trends (e.g. inflation, economic growth, interest rates, and cyclicality), as well by considering the technical aspects of financial markets (e.g. asset valuations, trends, technical market indicators and investor sentiment/positioning.)
Categories of assets and financial contracts	**Equities** Through direct security or fund investments or use of derivatives, the Sub-Fund is exposed, directly or indirectly, to international and/or Eurozone equity markets from -20% to 100% of its net assets. Up to 25% of the Sub-Fund's net assets may be exposed to emerging market equities, with a maximum of 10% in the Chinese domestic market (common investment limit for both equities, debt instruments and monetary instruments). The Sub-Fund invests in stocks of any capitalization from any sector. **Fixed income and money market instruments** Up to 100% of the Sub-Fund's net assets can be invested in negotiable debt securities, money market instruments, and fixed or floating rate, covered or uncovered bonds, which may be linked to inflation in the Eurozone and/or international markets. Investments in emerging market debt may not exceed 25% of the net assets, with a maximum of 10% in the Chinese domestic market (common investment limit for both equities, debt instruments and monetary instruments). Investments in China may be performed, inter alia, directly on the China Interbank Bond Market ("CIBM"). The Sub-Fund may invest in corporate or government issuers. The portfolio's total modified duration, defined as the change in portfolio capital (as %) for a change in interest rates of 100 basis points may vary from -4 to +7. The investment strategy involves the Sub-Fund investing in fixed and/or floating rate corporate bonds, corporate inflation-linked bonds, as well as money market instruments. The Sub-Fund may invest up to 20% of its net assets in securities rated below investment grade. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies registered with the European Securities and Markets Authority, or of a credit quality deemed to be equivalent by the Management Company. The Sub-Fund may also invest in unrated debt securities. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. If pursuant to such analysis a debt security is assigned an internal rating below investment grade, it is then subject to the limit shown above. The Sub-Fund may also invest up to 5% of its net assets in Distressed Securities and incur the specific risks associated (for further information on Distressed Securities please refer to Part B point 25.3 of the prospectus). The Sub-Fund may invest in non-leveraged exchange-traded commodities (ETC) traded on regulated or organised Eurozone and/or international markets in order to gain exposure to commodities, including precious metals. Investment in ETC is authorised only to the extent that such assets are settled in cash. Global exposure of the Sub-Fund to commodities through all eligible assets is limited to 30% of the net assets. Lastly, up to 10% of the Sub-Fund's assets may be invested in securitisation instruments. The instruments concerned are mainly Asset-Backed Securities (ABS), Enhanced Equipment Trust Certificates (EETC), Residential Mortgage-Backed Securities (RMBS), Commercial Mortgage-Backed Securities (CMBS) and Collateralised Loan Obligations (CLO). For all of these assets, the management company will carry out its own analysis of the risk/reward profile of the securities (profitability, creditworthiness, liquidity, maturity). As a result, the decision to buy, hold or sell a security (particularly where the rating has changed) is not solely based on the rating criteria, but also reflects an internal analysis of credit risks and market conditions carried out by the management company. There are no allocation restrictions between corporate and government issuers, nor on the maturity or dur of assets chosen. **Derivatives** The Sub-fund may use derivatives for exposure, hedging and for efficient portfolio management, and, in particular, but not exclusively, equity derivatives, currency derivatives, interest rate derivatives and inflation derivatives.For details, please refer to the Chapters 3.4 and 26 of the prospectus. The Sub-Fund may use total return swaps for exposure or hedging purposes. The exposure to total return swaps is expected to be 10% of the net assets of the Sub-Fund. Said exposure may be greater but is limited to 20%

	of the net assets of the Sub-Fund. For additional information on total return swaps, please refer to section 3.3. "Use of Total Return Swaps" in Part B of this prospectus. **Securities with embedded derivatives** The Sub-Fund may invest in securities with embedded derivatives, in particular warrants, credit linked notes, EMTN and subscription certificates, traded on European and/or international regulated, organised or over-the-counter markets. In all cases, the amounts invested in securities with embedded derivatives, excluding contingent convertible bonds, may not exceed 10% of net assets. The Sub-Fund may also invest up to 10% of its net assets in contingent convertible bonds ("CoCos") (and incur specific risks associated as further described in point 25.2. of part B of the Prospectus. **UCIs, investment funds, trackers or Exchange Traded Funds (ETF)** The Sub-Fund may invest up to 10% of its net assets in: - units or shares of UCITS; - units or shares of AIFs; - other investment funds. The Sub-Fund may invest in funds managed by the Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds. **Deposits and cash** The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus. The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited. **Cash borrowings** The Sub-Fund may borrow cash limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 10% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than 5 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: risk associated with discretionary management, risk of capital loss, equity risk, currency risk, interest rate risk, credit risk (furthermore, a more specific credit risk linked to the use of credit derivatives exists), emerging markets risk, risk associated with high yield bonds, risks

	associated with investment in contingent convertible bonds, liquidity risk, risk attached to investments in China, risk associated with commodity indices, risk associated with market capitalisation, counterparty risk, volatility risk, risks associated with temporary purchases and sales of securities, legal risk, risk associated with the reinvestment of collateral and sustainability risk, risk of leverage. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.**
Investment Manager	The management of the Sub-Fund is delegated by the Management Company to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the absolute VaR (Value at Risk) method. The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 2000% but may be higher under certain conditions. To the extent the level of leverage will exceed 500% and may reach the 2000% limit (or be higher), the Sub-Fund will only use short term interest rate derivatives for this additional part. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than 5 years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU2715954504	Accumulation	All	None
E EUR Acc	EUR	LU3112062065	Accumulation	All	None
F EUR Acc	EUR	LU2715954330	Accumulation	Authorised investors*	None
I EUR Acc	EUR	LU2715954413	Accumulation	Institutional investors**	EUR 10,000,000***** (initial subscription only)
Until 11/9/2025: **X EUR Acc**	EUR	LU3088560464	Accumulation	Authorised Institutional investors***	EUR 1,000,000***** (initial subscription only)
As from 12/9/2025: **B EUR Acc**	EUR	LU3088560464	Accumulation	Authorised Institutional investors****	EUR 1,000,000***** (initial subscription only)

* Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

** Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.

*** Accessible to selected Institutional investors (as defined for I EUR Acc shares above) as authorised by the Management Company on a discretionary basis.

**** Accessible to Institutional investors (as defined for I EUR Acc shares above) authorised by the management company on a discretionary basis. The subscriptions into this share are only available until the net asset attributable to this share class reach EUR 100,000,000. Once this threshold is reached, all subscriptions from new investors will be rejected. The subscriptions made to this share class by Carmignac Group are exempt from the calculation of the EUR 100,000,000 threshold and any limitations.

***** The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in EUR are issued at the initial price of EUR 100.

Net Asset Value (NAV) Valuation Day	Calculated daily in EUR on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES						
	Payable by the Shareholders to the distributors			**Payable by the Sub-Fund to the Management Company**		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee[2]**	**Performance Fees[3]**
A	**Max. 2%**	**0**	**Max. 1%**	**Max. 2.00%**	**Max. 0.30%**	**Yes**
B	**0**	**0**	**0**	**Max. 1.00%**	**Max. 0.30%**	**Yes**
E	**0**	**0**	**0**	**Max. 2.00%**	**Max. 0.30%**	**Yes**
F	**0**	**0**	**0**	**Max. 1.00%**	**Max. 0.30%**	**Yes**
I	**0**	**0**	**0**	**Max. 1.00%**	**Max. 0.30%**	**Yes**
X	**0**	**0**	**0**	**Max. 1.00%**	**Max. 0.30%**	**Yes**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is positive and superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1 January 2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years.

	If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The reference indicator serving as the basis for calculating the performance fee is Eurostat Euro HICP ex tobacco index, interpolated into a daily quote.

CARMIGNAC PORTFOLIO TECH SOLUTIONS	
Launch date	This Sub-Fund was launched on 21 June 2024.
Investment Objective	The Sub-fund's objective is to outperform the Reference indicator over a recommended minimum investment horizon of 5 years. The Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied to the Prospectus can be found on the following website ("Carmignac Responsible Investment website") at https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 and www.carmignac.com. This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference Indicator	This Sub-Fund is actively managed in reference to its Reference indicator, the MSCI AC World Information Technology 10/40 Capped NR Index (Bloomberg ticker: NU723175). The Reference indicator is designed to capture the large and mid-cap segments of the Information Technology sector across developed and emerging market countries. Further information on the index, how it is composed and calculated is available on the index provider's internet site at www.msci.com. The Sub-Fund's investment universe is at least partly derived from the Reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the Reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the Reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment Strategy	The Sub-Fund's investment strategy is to invest primarily in the information technology sector. The fund invests globally in companies in this sector, including, for example, companies active in software, computer manufacturing, communication equipment, semiconductors and IT services. The Sub-Fund has an active investment strategy that concentrates on selecting companies, where regional and theme analysis are also important parts of the strategy. The Sub-Fund has a long-term investment horizon and selects those companies the investment manager finds have an attractive valuation in relation to its future earnings potential. In addition, the Sub-Fund adopts a socially responsible approach using both positive and negative screening to identify companies with long term sustainable growth criteria. Extensive fundamental analysis of the company financial statements and other qualitative sources of information is carried out to establish a company's growth prospects and potential inclusion in the portfolio. Final stock selection is completely discretionary and relies on the fund manager's expectations and financial and extra financial analysis.
Sustainable investment	**The Sub-fund has a sustainable objective pursuant to article 9 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the sustainable objective of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Equities** At least 51% of the portfolio is invested in global equities in the information technology sector, without restrictions in terms of allocation by geographical zone or market capitalisation. The investment in equity markets in emerging countries does not exceed 30% of the Sub-Fund's net assets. **Debt securities and money market instruments** The Sub-Fund's net assets may be invested on an ancillary basis in money market instruments, negotiable debt securities, and fixed or floating rate, secured debt (including covered bonds), which may be linked to inflation in the Eurozone or international markets including emerging markets. The Sub-Fund may invest in securities issued by corporate or government issuers There is neither restriction on allocation between corporate and government issuers, nor on the maturity and duration of securities chosen.

The portfolio manager reserves the right to invest up to 10% of the net assets in bonds with a rating below investment grade. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The Sub-Fund may also invest in unrated bonds. The Company carries out its own analysis and assessment of creditworthiness of such unrated debt securities. If pursuant to such analysis a debt security is assigned an internal rating below investment grade, it is then subject to the limit shown above.

For all of these assets, the Management Company will carry out its own analysis of the risk/reward profile of the securities (profitability, creditworthiness, liquidity, maturity). As a result, the decision to buy, hold or sell a security (particularly where agency ratings have changed) is not solely based on the rating criteria, but also reflects an internal analysis of the credit risks and market conditions carried out by the Management Company.

UCIs, investment funds, trackers and Exchange Traded Funds (ETF)

This Sub-Fund may acquire units of other undertakings for collective investment in transferable securities (UCITS) and/or open-ended undertakings for collective investment (UCIs) provided that no more than 10% of its net asset value is invested in the units of these UCITS and/or UCIs.

The Sub-Fund may invest in funds managed by the Management Company or an affiliated company.
The Sub-Fund may use trackers, listed index funds and exchange traded funds.

Real Estate Investment Trusts (REITs)

The Sub-Fund may invest in closed-ended Real Estate Investment Trusts (REITs).

Derivatives

The Sub-fund may use derivatives for exposure, hedging and for efficient portfolio management, and, in particular, but not exclusively, equity derivatives, currency derivatives.For details, please refer to the Chapters 3.4 and 26 of the prospectus.

Securities with embedded derivatives

The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, p-notes, convertible bonds, EMTN, or subscription certificates) traded on regulated, organised or over-the-counter Eurozone and/or international markets. Such securities with embedded derivatives are commonly used to provide exposure to equity asset class.

The amount of this type of investment in securities with embedded derivatives may not exceed 10% of the net assets.

Deposits and cash

The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus. The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited.

Cash borrowings

The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus.

Securities Financing Transactions

For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions").

The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A

	maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 5% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Fund is to be considered over an investment horizon of more than five years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are risks associated with discretionary management, equity risk, emerging markets risk, ESG risk, currency risk, interest rate risk, credit risk, risks of leverage, counterparty risk, risk associated with high-yield bonds, risk of capital loss, specific risks associated with investments in China and sustainability risk. The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs. Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not be invested in the best-performing markets at all times. Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund partially to Carmignac UK Ltd and partially to Carmignac Gestion in Paris, France.
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the relative VaR (Value at Risk) method relative to a reference portfolio (the Sub-Fund's reference indicator will be its reference portfolio). The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 200%.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than five years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU2809794220	Accumulation	All	None
A USD Acc	USD	LU2809794493	Accumulation	All	None
E EUR Acc	EUR	LU2809794816	Accumulation	All	None
F EUR Acc	EUR	LU2809794576	Accumulation	Authorised investors*	None
F USD Acc	USD	LU2812616816	Accumulation	Authorised investors*	None
I EUR Acc	EUR	LU2809794733	Accumulation	Authorised institutional investors**	EUR 10,000,000**** (initial subscription only)
I USD Acc	USD	LU2809794659	Accumulation	Authorised institutional investors**	USD 10,000,000**** (initial subscription only)
X EUR Acc	EUR	LU3060210443	Accumulation	Authorised investors***	None

* Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

** Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.

*** Accessible to selected investors as authorised by the Management Company on a discretionary basis.

**** The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in EUR are issued at the initial price of EUR 100. Shares in USD are issued at the initial price of USD 100.	
Net Asset Value (NAV)	Calculated daily in EUR on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES						
	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee[2]**	**Performance Fees[3]**
A	**Max. 4%**	**0**	**0**	**Max. 2.00%**	**Max. 0.30%**	**Yes**
E	**0**	**0**	**0**	**Max. 2.25%**	**Max. 0.30%**	**Yes**
F	**0**	**0**	**0**	**Max. 1.00%**	**Max. 0.30%**	**Yes**
I	**0**	**0**	**0**	**Max. 1.00%**	**Max. 0.30%**	**Yes**
X	**0**	**0**	**0**	**Max. 2.00%**	**Max. 0.30%**	**No**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively, or since 1 January 2022; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the

	daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The reference indicator serving as the basis for calculating the performance fee is , the MSCI AC World Information Technology 10/40 Capped NR Index (Bloomberg ticker: NU723175).

CARMIGNAC PORTFOLIO ABSOLUTE RETURN EUROPE	
Launch date	This Sub-Fund was launched on 29 November 2024.
Investment Objective	The Sub-Fund seeks to achieve a positive absolute return over a 3-year investment horizon through capital growth. In addition, the Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference Indicator	The Performance of the Sub-Fund is not measured against a reference indicator.
Investment Strategy	In order to achieve its investment objective, the Sub-Funds implements a fundamentally driven long/short equity strategy incorporating top-down macroeconomic inputs. This strategy consists in building up a portfolio of both long and short positions on financial instruments eligible to the Sub-Fund. The investment strategy is determined on the basis of a detailed financial analysis of the companies which the Sub-Fund may invest in. The selection of our long and short positions will be based on a deep dive fundamental analysis, which includes a thorough financial analysis, an analysis of the competitive landscape, the quality of the management team and close monitoring of business developments. Sector and country allocations are derived from the stock selection process. The Sub-Fund's level of equity exposure varies between -20% and +50% of its net assets.
Environmental and social characteristics	**The Sub-Fund promotes environmental and/or social characteristics pursuant to article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the environmental and/or social characteristics of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Equities** At least 51% of the portfolio is invested in equities. Up to 25% of its net assets may be invested, directly or indirectly, in equities of issuers from outside the European Economic Area, the United Kindgom and Switzerland, with up to 10% of net assets invested in emerging markets. **Currencies** Up to 25% of the Sub-Fund's net assets is exposed to currencies other than those of the European Economic Area, the United Kingdom and Switzerland. These investments on the foreign exchange market, which depend on expectations of changes in different currencies, are determined by the currency allocation between the various regions through exposure generated by direct investments in securities denominated in foreign currencies or through currency derivatives. **Debt securities and money market instruments** In order to allow the portfolio manager to diversify the portfolio, up to 49% of the Sub-Fund's net assets may be invested in money market instruments, negotiable debt securities, and fixed or floating rate, secured (including covered) bonds, which may be linked to inflation in the Eurozone or international markets including emerging markets. The Sub-Fund may invest in securities issued by corporate or government issuers. There are neither restriction on allocation between corporate and government issuers, nor on the maturity and duration of securities chosen. The portfolio manager reserves the right to invest up to 10% of the net assets in bonds with ratings below investment grade. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. the Sub-Fund may also invest in unrated debt securities. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. If pursuant to such analysis a debt security is assigned an internal rating below investment grade, it is then subject to the limit shown above.

The Sub-Fund may invest in non-leveraged exchange-traded commodities (ETC) traded on regulated or organised Eurozone and/or international markets in order to gain exposure to commodities, including precious metals. Investment in ETC is authorised only to the extent that such assets are settled in cash. Global exposure of the Sub-Fund to commodities through all eligible assets is limited to 20% of the net assets.

For all of these assets, the Management Company will carry out its own analysis of the risk/reward profile of the securities (profitability, creditworthiness, liquidity, maturity). As a result, the decision to buy, hold or sell a security (particularly where agency ratings have changed) is not solely based on the rating criteria, but also reflects an internal analysis of the credit risks and market conditions carried out by the Management Company.

UCIs, investment funds, trackers and Exchange Traded Funds (ETF)

The Sub-Fund may invest up to 10% of its net assets in:
- units or shares of UCITS;
- units or shares of AIFs;
- other investment funds,

The Sub-Fund may invest in funds managed by the Management Company or an affiliated company.
The Sub-Fund may use trackers, listed index funds and exchange traded funds.

Derivatives

The use of derivatives is an integral part of the Sub-Fund's investment strategy as derivatives (in particular, but not exclusively, equity derivatives and currency derivatives) make a significant contribution to the realization of the investment objective. For details on derivatives, please refer to the Chapters 3.4 and 26 of the prospectus.

The Sub-Fund may use total return swaps for exposure or hedging purposes. The exposure to total return swaps is expected to be 30% of the net assets of the Sub-Fund. Said exposure may be greater but is limited to 60% of the net assets of the Sub-Fund. For additional information on total return swaps, please refer to section 3.3. "Use of Total Return Swaps" in Part B of this prospectus.

Securities with embedded derivatives

The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, convertible bonds, credit-linked notes (CLN), EMTN, subscription certificates) traded on regulated, organised or over-the-counter Eurozone and/or international markets.
The amount of this type of investment in securities with embedded derivatives, excluding contingent convertible bonds, may not exceed 10% of the net assets.

The portfolio manager may also invest up to 10% of the net assets in contingent convertible bonds (and incur the specific risks associated to it, as further described in point 25.2 of Part B of the prospectus).

Strategy for using securities with embedded derivatives to achieve the investment objective

The portfolio manager uses securities with embedded derivatives, as opposed to the other derivatives mentioned above, to optimise the portfolio's exposure or hedging by reducing the cost of using these financial instruments or gaining exposure to several performance drivers.

Deposits and cash

The Sub-Fund may use deposits in order to optimise its cash management. These trades are made within the limits set out in point 3 of the Part B of the prospectus.
The Sub-Fund may hold cash with a maximum 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and when such breach is justified having regard to the interests of the investors. Cash lending is prohibited.

Cash borrowings

The Sub-Fund may borrow cash within the limits, and subject to the conditions, set out in point 3.1.10. of Part B of the prospectus.

	Securities Financing Transactions For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 10% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Fund is to be considered over an investment horizon of more than 3 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: long/short risk, equity risk, currency risk, interest rate risk, emerging markets risk, credit risk, risks of leverage, risk associated with commodity indices, counterparty risk, risk associated with high-yield bonds, risk of capital loss and sustainability risk. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.** Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not be invested in the best-performing markets at all times. **Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.**
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund partially to Carmignac UK Ltd and partially to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the absolute VaR (Value at Risk) method. The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 500% but may be higher under certain conditions. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than 3 years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, on behalf of or for the benefit of a US person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES					
Class	**Currency**	**ISIN**	**Dividend policy**	**Type of investors**	**Minimum initial and subsequent subscription**
A EUR Acc	EUR	LU2923680206	Accumulation	All	None
F EUR Acc	EUR	LU2923680388	Accumulation	Authorised investors*	None
F GBP Acc Hdg	GBP hedged	LU2923680461	Accumulation	Authorised investors*	None

I EUR Acc	EUR	LU2923680545	Accumulation	Authorised Institutional investors**	EUR 10,000,000*** (initial subscirption only)

* Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2

**Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.

*** The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in EUR are issued at the initial price of EUR 100; Shares in GBP are issued at the initial price of GBP 100.

Net Asset Value (NAV) Valuation Day	Calculated daily in EUR, and GBP on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES

	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company			Payable by the Shareholders to the Management Company
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee[2]**	**Performance Fees[3]**	**Subscription fees[4]**
A	**Max. 4%**	**0**	**Max. 1%**	**Max. 2.00%**	**Max. 0.30%**	**Yes**	**Max 5% may be charged by the Management Company**
F	**0**	**0**	**0**	**Max. 1.50%**	**Max. 0.30%**	**Yes**	**Max 5% may be charged by the Management Company**
I	**0**	**0**	**0**	**Max. 1.00%**	**Max 0.30%**	**Yes**	**Max 5% may be charged by the Management Company**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and

	operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the absolute performance of the share class. Provided that the value of the relevant Share has appreciated during performance period, a provision of 20% of the appreciation of the value of shares is established. Furthermore, the performance fee is based on High-Water Mark (HWM) model whereby the performance fee will be charged only if the value of shares at the end of the performance period exceeds the highest value of shares at the end of any five (5) preceding performance periods ("High-Water Mark"). The value of shares at the launch of the sub-fund or each share class constitutes the first High-Water Mark. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus.
4	A conditional and additional subscription fee of maximum 5% related to potential temporary soft closing of the Sub-Fund. This fee is not automatically applicable but instead, it may be activated at some point in time in the future to limit the subscriptions if the assets under management of the Sub-fund exceed a threshold a determined by the Board of directors. This additional fee is designed to keep the assets under management at a level commensurate with the investment strategy and thus protect the liquidity of the Sub-Fund's assets. If activated, it will be payable to the management company, applicable to all share classes and comes in addition to the subscription fee of 4% maximum payable to distributors that may apply to certain share classes

Part A, "The Sub-Funds of CARMIGNAC PORTFOLIO" – 22

CARMIGNAC PORTFOLIO SUSTAINABLE BOND	
Launch date	This Sub-Fund was created on 29 August 2025.
Investment Objective	The Sub-Fund's objective is to outperform its reference indicator over a recommended minimum investment period of 3 years. In addition, the Sub-Fund seeks to invest sustainably for long-term growth and implements a socially responsible investment approach. Details on how the socially responsible investment approach is applied is described in the annex to this Prospectus and can be found on the following websites: www.carmignac.com and https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526 ("Carmignac Responsible Investment website"). This Sub-Fund is an actively managed UCITS. The investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.
Reference indicator	The reference indicator is ICE EUR Social, Sustainable & Green Bond Index (Bloomberg ticker: SSAE) ICE EUR Social, Sustainable & Green Bond Index (Bloomberg ticker: SSAE) tracks the performance of European securities issued for qualified green, social or sustainable purposes. Qualifying green, social or sustainable bonds must have a designated use of proceeds that is solely applied toward appropriate projects or activities as outlined by the International Capital Market Association's ("ICMA") Green Bond Principles, ICMA Social Bond Principles or ICMA Sustainable Bond Guidelines. Further information on the index, how it is composed and calculated is available on the index provider's internet site at www.ice.com. The Sub-Fund's investment universe is at least partly derived from the Reference indicator in terms of allocation by region, sector or market capitalisation. The Sub-Fund's investment strategy is not dependent on the Reference indicator; therefore, the Sub-Fund's holdings and the weightings will commonly substantially deviate from the composition of the Reference indicator. There is no limit set on the level of such deviation. For further information on the reference indicators and the Benchmark Regulation, please refer to Section 27 of the prospectus.
Investment strategy	The Sub-Fund aims to outperform the reference indicator by exposing the portfolio to interest rates and to international credit markets globally through investments in debt securities or money market instruments issued by international governments and corporations, or through derivatives, using a sustainable investment approach. The Sub-Fund implements a fundamental top-down approach, which reflects the investment team's views and predictions, through a fundamental global macroeconomic analysis, complemented by a bottom-up approach, which reflects the investment manager's strongest convictions on fixed income markets. The Sub-Fund can explore the full spectrum of the fixed income universe, and may invest across all segments globally, including sovereign debt (developed and emerging markets), credit (investment grade, high yield, financials and convertibles) and money market instruments. In order to hedge its assets and/or achieve its investment objective, the Sub-Fund may use financial derivative instruments. In this context, the Sub-Fund may obtain exposure to, or synthetically hedge, the risks relating to indices, business sectors or geographic region. To this end, the Sub-Fund may take up positions with a view to hedging the portfolio against certain risks (interest rate, credit or currency) or exposing itself to interest rate and credit risks. Strategies that will be implemented through the use of financial derivative instruments: - general hedging of certain risks (interest rate, credit, currency); - exposure to interest rate and credit; - reconstitution of a synthetic exposure to assets and risks (interest rate, credit); - increase in exposure to the market; duration positioning: active management of the duration of the aggregate portfolio as well as of specific yield curves. Typically increasing the duration on a given region/segment on which a decrease in bond

	yields is expected and conversely reducing the duration to a given region/segment on which an increase in bond yields is expected; - yield curve positioning: yield curve strategies in order to benefit from the difference in evolution of yields for different maturities and from nonparallel shifts in the yield curve (steepening/flattening); and. - curvature positioning: curvature strategies in order to benefit from a deformation and a movement in the shape of a yield curve.
Sustainable investment	**The Sub-fund has a sustainable objective pursuant to Article 9 of the Sustainable Finance Disclosure Regulation ("SFDR"). Information on the sustainable objective of this Sub-Fund is available in the annex to this Prospectus.**
Categories of assets and financial contracts	**Debt securities and money market instruments** The Sub-Fund may directly invest in negotiable debt securities, money market instruments, and fixed or floating rate, covered or uncovered bonds, which may be linked to inflation in the Eurozone and/or international markets. The Sub-Fund may invest in debt securities issued by corporate or government issuers. The investments could be denominated in currencies other than the base currency of the Sub-Fund. The Sub-Fund is mainly invested in debt securities and Money Market Instruments of any kind, from all geographical areas. The cumulative exposure to below investment grade corporate bonds and emerging markets debt securities will not exceed 50% of the Sub-Fund's net assets. A debt security is considered "investment grade" if it is rated as such by at least one of the main rating agencies. The Sub-Fund may also invest in unrated debt securities. The company carries out its own analysis and assessment of creditworthiness of unrated debt securities. If pursuant to such analysis a debt security is assigned an internal rating below investment grade, it is then subject to the limits shown above. The Sub-Fund's Modified Duration may vary from -3 to 8. The Sub-Fund may also invest up to 5% of its net assets in Distressed Securities and incur the specific risks associated (for further information on Distressed Securities please refer to Part B point 25.3 of the prospectus). **Equities** The Sub-Fund does not actively pursue investment in equities. Nevertheless, the Sub-Fund may be invested, either directly or indirectly, in equity securities, within the limit of 10% of its net assets. Especially, within the limit of 10% of its net assets, the Sub-Fund may be exposed to equity markets through convertible bonds. In exceptional cases resulting from the restructuring of securities held in the portfolio, the Sub-Fund may temporarily hold equities up to 10% of its net assets which would typically be sold as soon as practicable in the best interest of shareholders. **Currencies** Net exposure to currencies other than the Sub-Fund's valuation currency, including emerging market currencies, generated through securities or derivatives, is limited to 10% of the net assets. **Derivatives** The Sub-Fund may use derivatives for exposure, hedging and for efficient portfolio management, and, in particular, but not exclusively, interest rate derivatives, credit derivatives, currency derivatives. For details, please refer to the Chapters 3.4 and 26 of the prospectus. The Sub-Fund may use total return swaps for exposure or hedging purposes. The exposure to total return swaps is expected to be 10% of the net assets of the Sub-Fund. The exposure may be greater but is limited to 20% of the net assets of the Sub-Fund. For additional information on total return swaps, please refer to section 3.3. "Use of Total Return Swaps" in Part B of this prospectus **Securities with embedded derivatives** The Sub-Fund may invest in securities with embedded derivatives (particularly warrants, p-notes, convertible bonds, EMTN, or subscription certificates) traded on regulated, organised or over-the-counter Eurozone and/or international markets. In all cases, the amounts invested in securities with embedded derivatives, excluding contingent convertible bonds, may not exceed 20% of the net assets.

	The Sub-Funds may also invest up to 20% of its net assets in contingent convertible bonds ("CoCos") (and incur specific risks associated as further described in point 25.2. of part B of the prospectus). The Sub-Fund may invest up to 10% of its net assets in securitisation instruments, and in particular Asset Backed Securities (ABS), Residential Mortgage-Backed Securities (RMBS), Commercial Mortgage-Backed Securities (CMBS), Collateralised Loan Obligations (CLO), Credit Linked Notes (CLN) and Enhanced Equipment Trust Certificates (EETC). **UCIs, investment funds, trackers and Exchange Traded Funds (ETF)** This Sub-Fund may acquire units of other undertakings for collective investment in transferable securities (UCITS) and/or open-ended undertakings for collective investment (UCIs) provided that no more than 10% of its net asset value is invested in the units of these UCITS and/or UCIs. The Sub-Fund may invest in funds managed by the Management Company or an affiliated company. The Sub-Fund may use trackers, listed index funds and exchange traded funds. **Securities Financing Transactions** For efficient portfolio management purposes, and without deviating from its investment objectives, the Sub-Fund may use techniques and instruments involving transferable securities and money market instruments, and subject to the conditions set out in point 3.2. of Part B of the prospectus ("Securities Financing Transactions"). The Sub-Fund will enter into securities lending transactions on a temporary basis for the purpose of generating additional income and capital through securities lending rates. The opportunity to enter into a loan is assessed on a case-by-case basis and is driven by lending rates, liquidity and short interest of the security. The revenue is generated from the lending rates only, not from the reinvestment of collateral. A maximum of 20% of the net assets of the Sub-Fund may be subject to securities lending. The Sub-Fund expects to subject between 0% and 20% of its net assets to securities lending. For further details on Securities Financing Transactions, please refer to point 3.2. of Part B of the prospectus.
Risk profile	The risk profile of the Sub-Fund is to be considered over an investment horizon of more than 3 years. Potential investors must be aware that the assets of the Sub-Fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the Sub-Fund invests. The main risks incurred by the Sub-Fund are: interest rate risk, credit risk (furthermore, a more specific credit risk linked to the use of credit derivatives exists), emerging markets risk, liquidity risk, volatility risk, currency risk, equity risk, risks of leverage, counterparty risk, risk of capital loss, ABS/MBS risk and risk associated with high-yield securities and sustainability risk. **The aforementioned risks are described in detail in section "Description of Risks" of this prospectus and in the related KIDs.** Moreover, it should be noted that the management undertaken by the Sub-Fund is discretionary; it relies on anticipating the evolution of the various markets. This being the case, there is a risk that the Sub-Fund might not always be invested in the best-performing markets. **Shareholders must be aware that investments in the emerging markets involve additional risks because of the political and economic situation in the emerging countries that may affect the value of the investments.**
Investment Manager	The Management Company has delegated the investment management of this Sub-Fund to Carmignac Gestion in Paris (France).
Method for determining overall risk	The method used to determine the Sub-Fund's aggregate risk is the relative VaR (Value at Risk) method. The expected level of leverage calculated as the sum of nominal amounts without netting or hedging, is 500% but may be higher under certain conditions. Higher leverage: it will generally result from specific market conditions (e.g. low/high volatility, low interest rates, central bank intervention) or from an increase in the number of positions, which may however offset portfolio risks, or from the use of options that are well out of the money. For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating

	high leverage bearing little correlation with the current risk of the portfolio. In each case, they are used in accordance with the portfolio's risk profile and investment objective.
Investor profile	This Sub-Fund is intended for private and institutional investors wishing to diversify their investments while benefiting from market opportunities through active asset management over a recommended investment period of more than 3 years. Units of this Sub-Fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly, in the United States or on behalf of or for the benefit of a U.S. person, as defined in "Regulation S".

CHARACTERISTICS OF THE SHARES

Class	Currency	ISIN	Dividend policy	Type of investors	Minimum initial and subsequent subscription
A EUR Acc	EUR	LU3133501935	Accumulation	All	None
F EUR Acc	EUR	LU3133502073	Accumulation	Authorised investors*	None
I EUR Acc	EUR	LU3133502156	Accumulation	Authorised Institutional investors**	EUR 10,000,000*** (initial subscription only)

* Accessible to (i) Institutional investors investing on a proprietary basis, (ii) Funds of funds, (iii) Product structures that purchase the Shares directly, or on behalf of an end investor, and apply a fee to such investor at the product level, (iv) Financial intermediaries which, according to regulatory requirements or individual fee arrangements with their clients, are not allowed to accept and keep any inducements and (v) Carmignac Group. With respect to institutional investors incorporated in the European Union, institutional investor means Eligible Counterparty/Professional Investor per se as defined by MIFID 2.

** Accessible to Institutional investors authorised by the management company on a discretionary basis. Institutional investors are defined within the meaning of article 174 paragraph 2 (c) of the Law of 17 December 2010, as may be amended or superseded. Credit institutions and other professionals of the financial sector (not excluding their investments on behalf of third parties in a discretionary management relationship with them), pension funds, investment funds, government institutions, insurance and reinsurance companies and holding companies are commonly considered particularly as Institutional investors within the meaning of this article.

******* The minimum subscription does not apply to Carmignac Group. The minimum amount applies to each final investor.

Shares in EUR are issued at the initial price of EUR 100.

Net Asset Value (NAV) Valuation Day	Calculated daily in EUR on each Valuation Day according to the Euronext Paris schedule, except on legal bank holidays in France (in which case the NAV is calculated on the next full bank business day in Paris).
Payment of subscriptions and redemptions	The time between the date of centralization of the subscription or redemption orders and the settlement date of such orders by the custodian is 3 full business days. The settlement date is delayed if one or more public holidays (according to the Euronext and French public holidays) are inserted in the settlement cycle. The list of these days is available upon request at the Transfer Agent.

FEES

	Payable by the Shareholders to the distributors			Payable by the Sub-Fund to the Management Company		
Shares	**Subscription Fees**	**Redemption Fees**	**Conversion Fees**	**Management Fees[1]**	**Service Fee**	**Performance Fees[3]**
A	**Max. 1%**	**0**	**Max. 1%**	**Max. 1.20%**	**Max. 0.20%**	**Yes**
F	**0**	**0**	**0**	**Max. 0.80%**	**Max. 0.20%**	**Yes**
I	**0**	**0**	**0**	**Max. 0.80%**	**Max. 0.20%**	**Yes**

1	An annual fee, payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's performance fee, if appropriate.
2	A fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund. The Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee

	charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess. For further details on this fee, see Chapter 20.1. of the Prospectus.
3	An annual fee calculated in respect of each performance period. The performance period is the financial year. The performance period must always be at least 1 year. For a Sub-Fund or a share class which is not launched at the start of the financial year, the first performance period will extend from the launch date until the end of the following (full) financial year. The performance fee is calculated and accrued on each valuation day, and payable, if any, as of the last day of the financial year. The performance fee is calculated and accrued for each share class separately. The performance fee is based on the relative overperformance of the share class relative to its Reference Indicator. The performance fee of 20% is established when the share class's performance is superior to the performance of the Reference indicator during the performance period. Any underperformance of the share class compared to the Reference Indicator during the performance reference period of maximum 5 years (or since the launch of the Sub-Fund, or a share class respectively; whichever time period is the shortest) is clawed back before any performance fee becomes payable. A new performance reference period of maximum 5 years begins when the performance fee is paid. A new performance reference period of maximum 5 years begins also when underperformance which has not been clawed back expires at the end of a 5-year period. In such case, any outperformance occurred during this period to claw back the underperformance will expire at the same time and any following underperformance which has occurred within this 5-year period will start a new reference period of maximum 5 years. If the share class is eligible for the booking of a performance fee, then in the event of subscriptions, a system for neutralizing the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision. In the event of redemptions, the portion of the performance fee provision corresponding to redeemed Shares is payable to the Management Company under the crystallization principle. Sub-Fund performance is represented by the gross asset value (GAV), net of all costs, before provision of performance fees and taking into account the subscriptions and redemptions. **The performance fee could also be payable in case the share class has overperformed the reference benchmark but had a negative performance.** For further illustration and concrete examples on the performance fee calculation method, please refer to Chapter 20 paragraph 3 of this prospectus. The Reference indicator serving as the basis for calculating the performance fee is the ICE EUR Social, Sustainable & Green Bond Index (Bloomberg ticker: SSAE).

PART B:
GENERAL SECTION

1. DESCRIPTION OF THE COMPANY

1.1. General

Shareholders must be aware that all investments entail a risk and that no guarantee may be given against the loss arising from an investment made in any of the Sub-Funds whatsoever. Furthermore, it cannot be guaranteed that the objective set by the Company, as defined below, will be achieved. No assurance can be given in regard to future results or to the future return of the Company, neither by the Company itself, nor by one of the directors of the Company (the "Directors"), their authorised representatives or the Investment Manager(s). This prospectus is published in conjunction with a public offering of the Company's Shares. Any decision to subscribe Shares must be taken on the basis of the information contained in this prospectus and in the Company's most recent annual report and semi-annual report(s), which are available at the Company's registered office or at the offices of its authorised representatives.

The board of directors (the "**Board of Directors**") of CARMIGNAC PORTFOLIO (the **"Company"**) assumes full responsibility for the accuracy of the information contained in this prospectus and for the Company's management. Accordingly, the Board of Directors is responsible for preparing and implementing the Company's investment policy. The registration of the Company under the Law of 2010, as defined herein, does not however require any Luxembourg authority to grant or withhold approval, either for the adequacy or the accuracy of this prospectus or for the portfolio of securities held by the Company. Any statement to the contrary shall be prohibited and unlawful. Potential subscribers and purchasers of the Company's Shares are advised to obtain further information as regards to any (i) possible tax consequences, (ii) legal requirements and, (iii) restriction or exchange control arising from the laws of their country of origin, residence or domicile that may have an impact on the subscription, ownership or sale of Shares of the Company.

The Company is a Luxembourg company set up as an umbrella open-ended investment company ("SICAV"). The main general features of the Company are as follows:

- **Fund type**: UCITS subject to Part I of the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended and supplemented by the Luxembourg law of 10 May 2016 (the **"Law of 2010"**) and to the supervision of the Luxembourg financial supervisory authority (the *Commission de Surveillance du Secteur Financier*, the **"CSSF"**);
- **Incorporation**: 30 June 1999 for an indefinite period;
- **Articles of association of the Company** (the **"Articles of Association"**): published on 2 August 1999 in the official gazette of the Grand Duchy of Luxembourg "*Mémorial" (Recueil des Sociétés et Associations)* and last amended by the general meeting of Shareholders on 7 May 2019. The latest version of coordinated and updated Articles of Association was filed with the Luxembourg Register of Commerce on 5 August 2019.
- **Capital of the Company**: always equal to the net assets of all its Sub-Funds, represented by fully paid-up Shares with no par value and denominated in Euro (**"Euro"** or **"EUR"**);
- **Minimum capital (under Luxembourg law)**: EUR 1,250,000;
- **Luxembourg trade and companies' registration number:** B 70 409.

Any question regarding the general structure and the policy followed by the Company must be addressed to the Company itself, at its registered office.

In case of investor complaints, please contact the Management Company in writing in the address 7, rue de la Chapelle, L-1325 Luxembourg, Grand Duchy of Luxembourg.

1.2. Specific information for US persons

The Company, its Sub-Funds or its Shares are not registered in the United States of America under the United States Investment Company Act of 1940 and the United States Securities Act of 1933, as amended and supplemented.

Thus, they are not offered and shall not be offered for sale, sold, transferred or delivered in the United States (including its territories and possessions) or to any "U.S. persons" under the meaning of the regulations in the United States of America, except in a transaction which does not violate the legislation applicable (e.g. when the U.S. person is not residing in the United States of America). As the Company is an open-ended investment company, it will be treated as a Passive Foreign Investment Company ("PFIC") for US federal income tax purposes, under the applicable U.S. Treasury Regulation. The Company does not provide information to its Shareholders that would enable a person subject to U.S. income tax to designate the Company as a qualified electing fund in respect of U.S. income tax. The issue of how the passive foreign investment company rules are to be applied is complex and unclear on many points.

U.S. persons subject to the tax are strongly advised to consult their personal tax advisors with respect to the tax implications of investing in the Company.

1.3. Multiple Sub-Funds structure and Share Classes

A separate pool of assets (the "**Sub-Fund**") is set up for each Share Class and is invested according to the investment objective applicable to the Share Class to which the Sub-Fund in question relates. The Company features a multiple Sub-Funds structure, allowing Shareholders and potential investors to choose between one or several investment objectives by investing in one or more Sub-Funds of the Company. The Board of Directors may decide to issue Shares of other categories corresponding to Sub-Funds with their own investment objectives.

In regard to third parties, the Company shall be considered as a single legal entity.

Each Sub-Fund shall be treated as a separate legal entity, with its own financing, liabilities, capital gains and losses, net asset value (the "**NAV**" or "**Net Asset Value**") calculation and valuation and costs, unless agreed otherwise with the creditors. Within each Sub-Fund, the Board of Directors may create different Classes and/or sub-Classes of Shares (the "**Classes**" and "**sub-Classes**"), which may differ, *inter alia*, according to their (i) dividend policy (distribution and/or accumulation Shares), (ii) base currency, (iii) fees and expenses applicable, (iv) distribution policy. This information should be inserted in the prospectus and communicated to Shareholders and potential investors.

The Company, at the discretion of the Board of Directors, may issue Accumulation Shares and/or income Shares for each Sub-Fund. In the Sub-Funds where such choice exists, any Share may be issued, at the election of the Shareholder, either as an income Share (the "**Inc Share**" or "**Income Share**") or as an accumulation Share (the "**Acc Share**" or "**Accumulation Share**") and in registered form only.

The Shares of the different Sub-Funds may normally be issued, redeemed and converted on each Valuation Day, at a price calculated on the basis of the Net Asset Value per Share of the category concerned of the Sub-Fund in question on this Valuation Day, as stipulated in the Articles of Association, with the addition of any applicable fees and charges, as specified in the Part A: "The Sub-Funds of CARMIGNAC PORTFOLIO" of this prospectus.

Subject to provisions laid down hereinafter, Shareholders may convert all or part of their Shares of a certain Sub-Fund into Shares of another Sub-Fund and Shares of one Class into Shares of another Class either in the same Sub-Fund or in a different Sub-Fund.

2. OBJECTIVE AND COMPOSITION OF THE PORTFOLIO

The objective of the Company is to achieve the highest possible overall return for its Shareholders and to enable them to benefit from professional management. The Company will offer its Shareholders the opportunity to invest in diversified portfolios of transferable securities with worldwide scope in order to realise capital gains, without neglecting short-term income. Shareholders have the option to choose the level of investment that they wish to make in any of the Company's Sub-Funds, according to their requirements or to their own views on future market trends.

The Company does not guarantee that the above-mentioned objective will be achieved, as the former depends on the positive or negative performance of the markets. As a consequence, the Net Asset Value may fall as well as rise. The Company is therefore unable to guarantee that its objective will be achieved fully.

The objectives and investment policies of each Sub-Fund is determined by the Board of Directors, in accordance with the Articles of Association and with the Law of 2010, and they will comply with the restrictions laid down in the "Investments and Investment Restrictions" section of this prospectus.

If necessary, each Sub-Fund may hold cash on an ancillary and temporary basis, including typical money market instruments, which are traded regularly and whose residual maturity is less than 12 months, as well as term deposits.

Within the limits stipulated section 3 below, the Company is authorised to use:

- techniques and instruments involving transferable securities, provided that these techniques and instruments are used for the purpose of efficient portfolio management;
- techniques and instruments intended to hedge and/or expose the portfolio to currency risks as part of the management of its assets; and
- techniques and instruments intended to limit and/or expose the portfolio to risks arising from its investments and optimise returns.

The diversity of the Company's assets ensures a limitation of the risks inherent in any investment, although it does not exclude them completely.

3. ELIGIBLE ASSETS AND INVESTMENT RESTRICTIONS

The following provisions and restrictions must be observed by the Company for each of the Sub-Funds:

3.1. Determination and restrictions of the investment policy

3.1.1. Apart from the exceptions mentioned hereinafter, the investments of the Company shall consist exclusively of:

a) transferable securities and money market instruments listed or traded on a regulated market as recognised by its member state of origin and included on the list of regulated markets published in the Official Journal of the European Union or on its official website ("regulated market");

b) transferable securities and money market instruments traded on another market of a Member State of the European Union that is regulated, operates regularly, is recognised and open to the public;

c) transferable securities and money market instruments listed on an official stock exchange of a State that is not a member of the European Union or traded on another market of a State that is not a member of the European Union, that is regulated, operates regularly, is recognised and open to the public, and is in one of the countries of Europe, Africa, Asia, Oceania and the Americas;

d) new issues of transferable securities and money market instruments, provided that

- the issue terms include the undertaking that the application be filed for official listing on a stock market or another regulated market that operates regularly, is recognised and open to the public in one of the countries of Europe, Africa, Asia, Oceania, and the Americas;
- listing is obtained at the latest within one year from the issue date.

e) units of other undertakings for collective investment in transferable securities (UCITS) and/or units of open-ended undertakings for collective investment (UCI). These undertakings for collective investment must meet the conditions of Directive 2009/65/EC of 13 July 2009 and their registered office must be established in a Member State of the European Union or of a non-Member State, provided that:

- these other UCIs are approved in accordance with legislation stipulating that these undertakings be subject to supervision that the CSSF deems equivalent to that laid down by Community legislation and that cooperation between the authorities is sufficiently ensured;
- the level of protection guaranteed to the unitholders of these other UCIs is equivalent to that provided to unitholders of a UCITS and, in particular, that the rules relating to the division of assets, borrowing, lending and short selling of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;
- semi-annual and annual reports are published on the activities of these other UCIs to enable an evaluation of the assets and liabilities and of the income and transactions for the period under consideration; and
- the proportion of assets of these UCITS or other UCIs whose purchase is envisaged that may be invested, in accordance with their governing documents, globally in units of other UCITS and/or UCIs, does not exceed 10%.

f) Shares issued by one or more other Sub-Funds of the Company or shares or units in a master fund in accordance with the Law of 2010;

g) deposits with credit institutions repayable on request or that may be withdrawn whose maturities are less than or equal to twelve months, provided that the credit institution has its registered office in a Member State of the European Union or, if the registered office of the credit institution is situated in a non-Member State, are subject to prudential regulations deemed by the CSSF as equivalent to those laid down by Community legislation;

h) derivative financial instruments, including similar instruments subject to a cash settlement, that are traded on a regulated market of the type mentioned in points a), b) and c) above and/or derivative financial instruments traded on OTC markets ("OTC derivatives"), provided that:

- the underlying instrument is an instrument coming under this paragraph, or financial indices, interest rates or currencies in which the Company may make investments according to its investment objectives
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision and belonging to categories approved by the CSSF;
- OTC derivatives are subject to a reliable and verifiable daily valuation and, at the decision of the Company, maybe sold, liquidated or closed by means of a symmetrical transaction at any time and at their fair value; and
- These transactions should not cause the Company to deviate from its investment objectives under any circumstances.

With respect to index-linked derivatives, the information relating to the underlying financial indices (including, *inter alia*, the calculation methodology, rebalancing frequency, and components) shall be easily accessible, and free of charge, by the Shareholder. The rebalancing frequencies of the financial indices are determined by the relevant index providers. Depending on the Index, this frequency may either be monthly, quarterly or semi-annual and does not entail any significant cost for the Sub-Funds.

Derivative transactions will be concluded with counterparties selected by the Management Company in accordance with its Best Execution/Best Selection policy and the procedure for approving new counterparties. It should be noted that these counterparties have no discretionary decision-making powers over the composition or management of the fund's portfolio or over the underlying assets of financial derivative instruments.

i) money market instruments other than those traded on a regulated market and mentioned in article 1 of the Law of 2010, provided that the issue or the issuing body of these instruments are subject to regulations aimed at protecting investors and their savings and that these instruments are:

- issued or guaranteed by a central, regional or local government, by a central bank of a Member State, by the European Central Bank, by the European Union or by the European Investment Bank, by a non-EU Member State or, in the case of a federal State, by one of the members making up the federation, or by an international public body to which one or several Member States belong; or
- issued by a company whose securities are traded on the regulated markets mentioned in points a), b) or c) above; or
- issued or guaranteed by an institution subject to prudential supervision in accordance with the criteria laid down in Community law, or by an institution subject to and complying with prudential regulations deemed by the CSSF to be at least as strict as those provided for in Community law; or
- issued by other entities belonging to the categories approved by the CSSF provided that the investments in these instruments are subject to rules of investor protection equivalent to those provided for in the first, second or third sub-paragraphs above, and that the issuing body is a company with capital and reserves of at least ten million Euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth directive 78/660/EEC, is an entity whose business, within a group of companies including one or several listed companies, is the financing of that group or is an entity whose business is the financing of securitisation vehicles benefiting from a line of bank financing.

3.1.2. However,

a) the Company may invest up to 10% of the net assets of each Sub-Fund in transferable securities and money market instruments other than those covered in point 3.1.1.;

b) the Company may acquire movable and immovable assets which are essential for the direct pursuit of its business;

c) in carrying out its investments, the Company is not authorised, in any of the Sub-Funds, to acquire precious metals or certificates representing these metals;

3.1.3. A Sub-Fund may hold cash on an ancillary basis.

3.1.4.

a) A Sub-Fund may not invest more than 10% of its net assets in transferable securities or money market instruments issued by the same entity. A Sub-Fund may not invest more than 20% of its net assets in deposits made with the same entity. The Sub-Fund's counterparty risk in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is one of the credit institutions mentioned in point 3.1.1. g), or 5% of its assets in other cases.

b) The total value of transferable securities and money market instruments held by a Sub-Fund from issuers in which it invests over 5% of its net assets may not exceed 40% of the value of its net assets. This limit does not apply to deposits with financial institutions subject to prudential supervision and to OTC derivatives transactions affected with these institutions. Notwithstanding the individual limits set in paragraph (a), no Sub-Fund may invest more than 20% of its net assets in a combination:

- of transferable securities and money market instruments issued by the same entity;
- of deposits with the same institution, and/or of risks arising from OTC derivative;
- transactions with the same institution.

c) The limit of 10% stipulated in paragraph a) may be extended to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State of the European Union, its regional public authorities, a non-EU Member State or international public bodies to which one or several Member States belong.

d) The limit of 10% stipulated in paragraph a) may be extended to a maximum of 25% for certain bonds when they are issued by a credit institution with its registered office in a Member State of the European Union and which is subject by law to special supervision by the public authorities aimed at protecting the holders of these bonds. In particular, the amounts arising from the issue of these bonds must be invested, in compliance with the legislation, in assets which, during the entire lifetime of the bonds, are capable of covering any debts arising from the bonds and which, in the event of the bankruptcy of the issuer, would be used in precedence for the repayment of the principal and the payment of accrued interest.

When a Sub-Fund invests over 5% of its net assets in the bonds mentioned in this paragraph and issued by the same issuing body, the total value of these investments may not exceed 80% of the value of the Sub-Fund's net assets.

e) The transferable securities and money market instruments covered in paragraphs c) and d) are not taken into account for the purpose of calculating the 40% ceiling stipulated in paragraph b) above.

The limits mentioned in preceding paragraphs a), b), c) and d) may not be combined; consequently, investments in transferable securities or money market instruments issued by the same entity, in deposits or derivative transactions concluded with this entity in accordance with preceding paragraphs a), b), c) and d) may not exceed 35% of the net assets of a given Sub-Fund.

Those companies that have grouped together for the purposes of consolidating their accounts, within the meaning of Directive 83/349/EEC or in compliance with recognised international accounting rules, are deemed to be a single entity for the calculation of the limits stipulated in points 3.1.4 a) to 3.1.4 e).

The same Sub-Fund may invest concurrently up to 20% of its assets in transferable securities and money market instruments issued by the same group.

3.1.5. In accordance with the principle of risk spreading, the Company is authorised to invest up to 100% of the net assets of one or several Sub-Funds in different issues of transferable securities and money market instruments issued or guaranteed by a Member State of the European Union, by its regional public authorities, by a Member State of the OECD or by international public bodies to which one or more Member States of the European Union belong, provided that this or these Sub-Funds hold securities belonging to at least six different issues and that the securities belonging to one issue do not exceed 30% of the total amount of the assets of this or these Sub-Funds;

3.1.6. The Company ensures that the total risk associated with derivative financial instruments does not exceed the total net assets of the portfolio of each Sub-Fund.

The risks are calculated taking into account the current value of the underlying assets, the counterparty risk, market forecasts and the time available to liquidate the positions. This also applies to the following paragraphs.

The Company may, within the framework of its investment policy and the limits set out in point 3.1.1. g), invest in derivative instruments provided that the overall risks to which the underlying assets are exposed do not exceed the investment limits set out in point 3.1.4. When a Sub-Fund invests in index-based derivatives, these investments do not necessarily have to be combined for the purpose of the limits set out in point 3.1.4.

3.1.7. The following provisions apply to investments in other UCITS or UCIs:

a) A Sub-Fund may acquire the units of UCITS and/or other UCIs mentioned in point 3.1.1. e) provided that no more than 20% of its net assets is invested in the same UCITS or other UCI. For the purposes of applying this limit, each Sub-Fund of a UCI with multiple Sub-Funds, as defined in article 181 of the Law of 2010, shall be deemed to be a separate issuing body, provided that the principle of segregation of liabilities with regard to third parties is ensured in the different Sub-Funds.

b) Investments in units of UCIs other than UCITS may not exceed a total of 30% of the net assets of the Sub-Fund. Insofar as this UCITS or UCI is a legal entity with multiple Sub-Funds, where the assets of a Sub-Fund relate solely to the rights of investors in this Sub-Fund and of creditors whose claim relates to the inception, administration or liquidation of this Sub-Fund, each Sub-Fund should be viewed as a separate issuer when applying the risk-spreading rules described above.

When a Sub-Fund has acquired units of UCITS and/or other UCIs, the assets of these UCITS or other UCIs are not combined for the purposes of the limits provided for in point 3.1.4.

c) When a Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, either directly or by delegation, by the same management company or by any other company to which the management company is linked through joint management or control or by a material direct or indirect holding, such management company or the other company may not charge subscription or redemption fees for the Sub-Fund's investment in the units of such other UCITS and/or other UCIs.

A Sub-Fund that invests a major portion of its assets in other UCITS and/or other UCIs shall indicate in its prospectus the maximum level of management fees that may be charged both to that Sub-Fund and other UCITS and/or other UCIs in which it intends to invest. It shall indicate in its annual report the maximum percentage of management fees borne by the Sub-Fund and the UCITS and/or other UCIs in which it invests.

d) The Company may not invest more than 20% of each Sub-Fund’s net assets in units of any single UCITS or other open-ended UCI, as defined in point 3.1.7. above, except where a Sub-Fund of the Company is investing in shares or units of a master fund within the meaning of the Law of 2010.

A Sub-Fund acting as a feeder fund must invest at least 85% of its assets in shares or units of its master fund, which may not be a feeder fund nor hold shares or units in a feeder fund.

A Sub-Fund acting as a feeder fund may invest up to 15% of its assets in one or more of the following:

(i) cash on an ancillary basis in accordance with article 41, paragraph (2), point two of the Law of 2010;

(ii) derivatives, which may be used only for hedging purposes, in accordance with article 41, paragraph (1), point g), and article 42, paragraphs (2) and (3) of the Law of 2010;

(iii) movable and immovable assets essential for the direct pursuit of the Company’s business.

e) A Sub-Fund of the Company may subscribe to, buy and/or hold shares issued or to be issued by one or more other Sub-Funds of the Company, provided that:

(i) the target Sub-Fund does not in turn invest in the Sub-Fund that is investing in this target Sub-Fund; and

(ii) the proportion of assets that the potential target Sub-Funds may invest in Shares of other target Sub-Funds of the Company may not exceed 10%; and

(iii) voting rights attached to the Shares concerned will be suspended for as long as they are held by the Sub-Fund in question, without prejudice to suitable recognition in the accounts and periodic reports; and

(iv) in all circumstances, for as long as the Company holds these shares their value will not be taken into account when calculating the net asset value of the Company to verify the minimum amount of net assets that must legally be held; and

(v) there is no double charging of management, subscription/sale or redemption fees by the Sub-Fund investing in this target fund and by this target Sub-Fund.

3.1.8. In making its investments, the Company is not authorised, in the case of all Sub-Funds, to:

a) acquire shares with voting rights attached that would allow it to exercise significant influence on the management of an issuer;

b) acquire more than:

(i) 10% of non-voting shares of the same issuer;

(ii) 10% of the bonds of the same issuer;

(iii) 25% of the units of the same UCITS and/or other UCI;

iv) 10% of the money market instruments issued by the same issuer.

The limits stipulated above in points (ii), (iii) and (iv) do not have to be observed at the time of acquisition if, at that time, the gross amount of the bonds or money market instruments, or the net amount of the securities issued, cannot be calculated.

c) The preceding paragraphs a) and b) do not apply with regard to:

transferable securities and money market instruments issued or guaranteed by a Member State of the European Union or its regional public authorities;

- transferable securities and money market instruments issued or guaranteed by a State that is not a member of the European Union;
- transferable securities and money market instruments issued by international public bodies to which one or more Member States of the European Union belong;
- the shares held by a Sub-Fund in the capital of a company incorporated in a non-Member State of the European Union which invests its assets mainly in the securities of issuers of that State where, under the legislation of said State, such a holding represents the only way in which the Sub-Fund can invest in the securities of issuers of that State. This dispensation is however only applicable on the condition that the investment policy of the company of the non-EU Member State complies with the limits laid down above in points 3.1.4. and 3.1.6. as well as paragraphs a) and b) of point 3.1.7. In the event that the limits stipulated in points 3.1.4. and 3.1.6. are exceeded, point 3.1.8. detailed hereinafter is applicable mutatis mutandis;
- shares held by one or more investment companies in the capital of subsidiary companies carrying out management, advisory or sales and marketing activities solely on their behalf in the country where the subsidiary is located with regard to the redemption of units at the request of unitholders.

3.1.9. For each Sub-Fund, the Company is not obliged to observe:

a) the aforementioned limits in the case of the exercise of subscription rights attached to the transferable securities or money market instruments that make up its net assets;

b) points 3.1.4., 3.1.5. and 3.1.6. for a period of six months following the date of its authorisation, provided that the principle of risk-spreading is observed.

If the limits referred to in this paragraph are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, it must adopt as a priority objective in its sales transactions the remedying of that situation taking due account of the interests of its Shareholders.

3.1.10. The Company may not borrow for any of its Sub-Funds, except for:

a) the purchase of currencies by means of a back-to-back loan;

b) borrowings of up to 10% of the net assets of one or more Sub-Funds as long as these are temporary borrowings;

c) borrowings up to the limit of 10% of the net assets, provided that the borrowings are for the purchase of immovable property essential for the direct pursuit of its business; in this case, these borrowings and those referred to in point b) of this paragraph may not in any case exceed 15% in aggregate of the net assets of each Sub-Fund concerned.

3.1.11. The Company may not grant loans or act as guarantor for third parties. Nevertheless, this restriction shall not serve as a hindrance to the acquisition by the Company of transferable securities, money market instruments or other financial instruments described in point 3.1.1. e), h) and i) that are not fully paid-up.

3.1.12. The Company may not conclude direct or indirect take-or-pay contracts for transferable securities, money market instruments and other debt securities.

3.1.13. The Company may not short sell transferable securities, money market instruments or other financial instruments described in point 3.1.1. e), h) and i).

3.2. Use of techniques and instruments involving transferable securities (securities financing transactions)

In order to (i) manage the portfolio efficiently, (ii) generate capital or additional income for the Company, and/or (iii) protect its assets and liabilities, each Sub-Fund may use securities financing transactions (involving transferable securities and money market instruments) securities lending and borrowing transactions. Where these transactions concern the use of derivatives, the conditions and limits set out in this section 3. must be complied with.

Under no circumstance shall the use of transactions involving derivatives or other efficient portfolio management techniques allow the Company to deviate from the investment objectives set out in this prospectus, nor add any significant risks to the risk management procedure described in section 3.5. below.

In order to reduce counterparty risk exposure on OTC derivatives or other efficient portfolio management techniques, the Company may receive financial guarantees in accordance with section 3.5. below.

Shareholders must be aware that the transactions referred to under this sub-heading offer a greater likelihood of capital gains or risk of loss than transferable securities, due to the leverage involved in such instruments, and may have an impact on the performance of the Sub-Fund concerned. Thus, there is no guarantee that the investment objectives of the Sub-Fund concerned will be achieved or that the Sub-Fund will not suffer any loss as a result.

Securities financing transactions carry a risk of the counterparty being unable to return the securities at the right time, or even at all. Consequently, a Sub-Fund involved in securities financing transactions may lose money and it may take time to recover the securities lent or sold. The Sub-Fund may also lose money if it does not recover the securities and/or if the value of the guarantee falls, including the value of investments made with a cash guarantee. A Sub-Fund portfolio's exposure to market risk will not be affected by the use of securities financing transactions. However, securities financing transactions carry a specific market risk of counterparty default. In this case, the guarantee provided will have to be sold and the securities lent, or sold as the case may be, bought back at the current price, which may reduce the value of the relevant Sub-Fund. Securities financing transactions also carry operational risks such as failure to settle orders linked to the lending. Where one Sub-Fund is involved in securities financing transactions, these operational risks are managed through procedures, controls and systems applied by the securities lending agent, where applicable, and Company.

In every instance, the counterparty to the securities lending contract will be EU high credit quality financial institutions (minimum rating AA-) subject to prudential regulations deemed by the CSSF to be equivalent to those laid down by EU law (the legal form not being a key criteria). As at the date of this prospectus, the Company appointed CACEIS Bank, Luxembourg branch as securities lending agent ("Securities Lending Agent"). The sub-funds pay 10 % of the gross revenues generated from securities lending activities as costs / fees to the lending agent and retain 90% of the gross revenues generated from securities lending activities. All costs / fees of running the programme are paid from the lending agent's portion of the gross income (10%). This includes all direct and indirect costs / fees generated by the securities lending activities. The Securities Lending Agent provides the following services to the Company: settlement management (loans, return & collateral), income processing, corporate actions processing, proxy voting, reporting (earnings, compliance report and SFTR reporting), and controls. The policy covering these operating costs is set out in section 20.2 below.

The Company has not identified any conflict of interest with respect to securities lending between itself, the Securities Lending Agent and the Management Company.

Assets subject to efficient portfolio management techniques are safekept by the Depositary or an agent or third party under its control.

3.2.1. Securities lending and borrowing transactions

The Company may undertake securities lending and borrowing transactions provided that the following rules are observed:

3.2.1.1. Rules for ensuring the proper execution of securities lending transactions

The Company may lend securities held in its portfolio to a borrower, either directly or via a standardised lending system organised by a recognised securities clearing institution, or by a lending system organised by a financial institution specialised in this type of transaction and subject to prudential supervision deemed by the CSSF as equivalent to those laid down by EU law. With regard to securities lending transactions, the Company may, in principle, receive financial guarantees, in accordance with section 3.5. below, and which, at the time when the securities lending contract is signed,

are worth at least 90% of the total appraisal value of securities lent. The duration of the loan may not exceed 30 days. This collateral will be re-valued each day and will be supported by additional collateral in the event of impairment.

3.2.1.2. Restrictions with regard to securities lending transactions

The Company must ensure that the volume of securities lending transactions is limited to an appropriate level and it must at all times be able (i) to request the restitution of the securities lent or (ii) terminate any securities lending transaction into which it has entered, in such a way that it can meet its redemption obligations at all times and so that such transactions do not compromise the management of the Company's assets in compliance with its investment policy.

3.2.1.3. Reinvestment of cash received as a guarantee

The Company is authorised to reinvest the cash received as a guarantee within the context of securities lending transactions in compliance with the requirements of the relevant CSSF circular.

3.3. Use of Total Return Swaps

Total return swaps are OTC derivatives transactions in which one party transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference financial instrument (or basket of financial instruments) or index to the other party.

To the extent that the use of total return swaps is provided for in Part A, certain Sub-Funds may enter into such derivatives instruments in order to gain exposure on or hedge against certain eligible assets (including indices). The Sub-Funds may use total return swaps on transferable securities (including baskets of transferable securities), such as equities and bonds, as well as eligible equity indices and fixed income indices.

The Sub-Funds will receive 100% of the net revenues generated from total return swaps, after deduction of direct and indirect operational costs.

As with all derivative transactions, total return swaps are concluded with counterparties selected by the Management Company in accordance with the Best Execution Policy/Best Selection Policy and the procedure for approving new counterparties. In every instance, counterparties to total return swaps will be either credit institutions or investment firms established in a member state of the European Union, with a minimum credit rating of BBB- (or equivalent) by at least of the main credit rating agencies. Counterparties will assume no discretion over the composition of the underlying financial instrument (or basket of financial instruments) of total return swaps.

For further information on eligible collateral and the valuation methodology of such collateral, please refer to paragraph 3.5. "Management of financial guarantees" below.

Investment in total return swaps exposes the relevant Sub-Fund to a counterparty risk, which is the risk that the counterparty to a transaction fails to perform any of its obligations under such transaction (including a failure to pay). Such default from the counterparty may have a material adverse effect on the NAV, since the Sub-Fund, as unsecured creditor of the defaulting counterparty, may suffer significant losses. In order to mitigate the counterparty risk, the Sub-Funds receive financial guarantees from the counterparties (for further details please refer to the Section 3.5 "Management of financial guarantees" below). Other risks include risks linked to the underlying assets (equity risks and/or risks associated with investment in debt securities, as applicable), risks associated with OTC transactions and forward financial contracts, and risks associated with the management of collateral. Please refer to section 4 of Part B of this prospectus for a detailed description of the relevant risks.

3.4. Use of complex derivative instruments and techniques

The Company may invest up to 10% of the net assets of each Sub-Fund except:

- 20% for the Inflation Solution Sub-Fund;
- 30% for the Carmignac Portfolio Patrimoine Europe, Carmignac Portfolio Patrimoine, Carmignac Portfolio Emerging Patrimoine, Carmignac Portfolio Global Bond, Carmignac Portfolio Credit, Carmignac Portfolio Flexible Bond and Carmignac Portfolio Securité Sub-Funds;
- 50% for the Carmignac Portfolio EM Debt Sub-Fund;

in complex derivative instruments within the Sub-Fund specific limit of the indicated percentage of their respective net assets in complex derivatives for the purpose of hedging against or creating exposure to credit risk. The Company may use credit default swaps (CDS) including index credit derivatives (iTraxx, CDX, ABX, etc.) as well as single and multiple-entity credit derivatives. The Board of Directors may, in the interest of the Shareholders, adopt new restrictions to facilitate compliance with the Applicable Laws in force in the countries where the Shares of the Company are offered to the public. In such case, the Part A: "The Sub-Funds of CARMIGNAC PORTFOLIO" of the prospectus will be updated accordingly.

3.5. Management of financial guarantees

Counterparty risk on OTC derivatives transactions and the risk arising from other efficient portfolio management techniques may not exceed 10% of a given Sub-Fund's net assets if the counterparty is one of the credit institutions mentioned in section 3.1.1. g) above, or 5% of its assets in other cases.

To this end and with a view to reducing counterparty risk exposure on OTC derivatives and other efficient portfolio management techniques, the Company may receive financial guarantees.

This collateral must be given in the form of cash or bonds issued or guaranteed by OECD member states or their international public bodies, or by EU, regional or global supranational institutions and organisations.

Financial guarantees received with transfer of ownership will be held by the Depositary or an agent or third party under its control. For other types of financial guarantee contract, the financial guarantees may be held by a third-party depositary subject to prudential regulations and which has no link to the provider of the financial guarantees. In all cases, collateral received should be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.

Financial guarantees not given in cash may not be sold, reinvested or pledged. They must at all times respect the criteria set in Regulation 2015/2365 on transparency of securities financing transactions and of reuse and in ESMA guideline 2014/937 for liquidity, maturity (no constraint), valuation, issuer creditworthiness (at least AA- rating), correlation and diversification with exposure to a given issuer limited to 20% of the Company's Net Asset Value.

Financial guarantees received in cash may be reinvested. In this case, such reinvestment must follow the Company's investment policy and meet the following conditions set out in the ESMA guidelines:

- Deposit with one of the entities listed in section 3.1.1. g) above;
- Investment in bonds and treasury notes issued or guaranteed by high-quality OECD member countries;
- Use of repurchase agreements with credit institutions subject to prudential regulations for transaction purposes, provided that the Company is able to call in the total amount of cash, plus accrued interest, at any time;
- Investment in short-term money market UCIs, as described in the guidelines on a common definition of European money market undertakings for collective investment.

Cash guarantees that could potentially be reinvested must meet the same diversification requirements as non-cash guarantees. Subject to the relevant provisions of the Applicable Law(s), reinvestment of these financial guarantees received in cash will be taken into account when calculating the Company's overall exposure.

These financial guarantees will be valued each day in accordance with section "Determination of the Net Asset Value" of this prospectus. However, the Company will apply the following minimum discounts:

OTC derivatives	
Type of financial guarantee received	Discount
Cash	0%
Bonds and treasury notes issued or guaranteed by OECD member countries (1)	0-10%
Securities lending	
Type of financial guarantee received	Discount
Bonds and treasury notes issued or guaranteed by OECD member countries (2)	0-10%
Cash (3)	0%

(1) issued or guaranteed by OECD member states;

(2) issued or guaranteed by OECD member states or their international public bodies, or by supranational institutions and organisations, of high quality;
(3) in the same currency as the securities lent.

3.6. Securitisation instruments

Certain Sub-Funds may invest up to 10% of their assets in securitisation instruments, as indicated in the Part A: "The Sub-Funds of CARMIGNAC PORTFOLIO" of the prospectus for each Sub-Fund (except for the Carmignac Portfolio Credit Sub-Fund for which investments in securitisation instrument are limited to 20% of its net assets, as specified in Part A "The Sub-Funds of CARMIGNAC PORTFOLIO" of the prospectus). Securitisation is a financial arrangement whereby assets, generally debts bought from economic entities (financial institutions, companies, etc.), are pooled in an ad-hoc company that finances its purchase of the debts by issuing securities (securitisation instruments) to investors. The coupons paid to investors and repayments are taken from the income generated by the asset pool thus created. The instruments concerned include Asset Backed Securities (ABS), a generic term generally used to describe the securities resulting from the securitisation mechanism. Depending on the nature of the Underlying and with no restrictions on its nature, these may include securities backed by equipment assets (aircraft, ships, etc.) (EETC, Enhanced Equipment Trust Certificates), by loans associated with residential (RMBS, Residential Mortgage-Backed Securities) or commercial (CMBS, Commercial Mortgage-Backed Securities) property, loans or bonds issued by financial or manufacturing companies, debt portfolios, bank loans (CLO, Collateralised Loan Obligations), consumer loans, business or miscellaneous assets, and Credit Linked Notes (CLN).

3.7. Selected unlisted securities

Certain Sub-Funds may invest in selected unlisted securities, as indicated in the Part A: "The Sub-Funds of CARMIGNAC PORTFOLIO" of the prospectus for each Sub-Fund. All such assets are transferable securities in reference to point 3.1.2. above and all investments in such assets will be made only in strict conformity with the investment strategy of each Sub-Fund.

The "selected unlisted securities" are defined as:

> "investments in transferable securities of undertakings that anticipate or aspire, at the time of issue or purchase of securities, to an application for admission to official listing on a stock market or another regulated market and for which this official listing on a stock market or another regulated market is not foreseen within one year from the issue or purchase date".

In order to ensure the eligibility of each such assets for Sub-Fund's investment in accordance with the UCITS Directive, the management company makes all selected unlisted securities subject to detailed analysis. The management company undertakes especially to ensure that all such investment meet the following criteria stipulated in the article 2 (1) of the Grand Ducal Regulation of 8 February 2008, as may be amended or superseded: (1) the potential loss to which their holding exposes the sub-fund is limited to the amount paid to acquire them; (2) their liquidity does not compromise the ability of the sub-fund to comply with the sub-fund liquidity requirements, (3) a reliable assessment concerning them is available, in the in the form of a valuation established periodically, on the basis of information emanating from the issuer or derived from reliable investment research, (4) appropriate information is available on them; (5) they are negotiable, (6) their acquisition is compatible with the investment objectives and the investment policy of the sub-fund and the Law of 2020, as may be amended or superseded and (7) the risks they entail are taken into account by the risk management process in an appropriate manner. Furthermore, it is ensured that investment in these assets will not enable the management company or the Company to exercise significant influence in the investee companies in accordance with the art 48 of the Law of 2010, as may be amended or superseded.

The management company has established a specific operational and governance structure for investment in these investments which foresees, under supervision by the Company's Board of Directors, among others, continuous risk evaluation of each investment, a periodic valuation and integration of these investments into the Risk management program.

It is further noted that to the extent that those Sub-Funds (which may invest in "selected unlisted securities") are invested in transferable securities other than those covered in point 3.1.1. of this prospectus, all such investments will be subject to and included for calculation of the 10% limit for "other transferable securities" stipulated in 3.1.2. of this prospectus.

For information on specific risks linked to investment in unlisted assets, please refer to "Risks associated with unlisted securities" in Chapter 4 "Description of risks".

3.8. Risk management

In accordance with the Law of 2010 and the applicable regulations, the Management Company has established risk management and control procedures in order to ensure compliance with the Applicable Laws in force, as well as with the investment policies and strategies of each Sub-Fund. The Management Company will comply with the investment policies and strategies of the Sub-Funds while controlling their risk/return profiles. The volatility and performance of each Sub-Fund are analysed daily with risk factors monitored systematically.

In addition, the Management Company:

- monitors and assesses the risks linked to its investments at any time, as well as their contribution to the general risk profile of the Company's portfolio;
- evaluates the risk profile based on the Company's investment policy and strategy (including the use of derivative financial instruments) in order to choose an appropriate method for assessing overall risk;
- assesses the market risk on each Sub-Fund, by using the commitment approach whereby a Sub-Fund's derivative positions are converted into the corresponding Underlying positions, being understood that the long and short positions on a given Underlying may be offset, or using the internal model, Value at Risk (VaR), which aims to quantify the maximum potential loss that could be incurred by a Sub-Fund's portfolio under normal market conditions. The used relative Value-at-Risk method is over a two-year historical horizon with a 99% confidence threshold over 20 days, with the Sub-Fund's reference indicator as reference portfolio.
- To this end, certain other criteria must be taken into account, such as the overall risk to which the Sub-Fund is exposed as a result of the use of derivatives and the type, the purpose, number and frequency of the derivative contracts to which they subscribe, as well as the management techniques used.

4. DESCRIPTION OF RISKS

Investments are subject to market fluctuations and to the risks inherent in investments in transferable securities and other assets in which the Company invests.

There is no guarantee that the investment objective of the Company and each of its Sub-Funds will be achieved.

Although this list is not exhaustive, the Company would like to draw the attention of Shareholders and potential investors on the following risks:

a) Risks associated with equity investments: an investment in equities generally gives rise to a higher return than an investment in short or long-term debt, but the risks associated are also often greater, as the performance of equities depends on unpredictable factors, e.g. the possibility of a sudden or prolonged fall in the market as well as the risks connected with the companies themselves. The main risk associated with equity investment is the fact that the value of the investments held in this portfolio may fall, as the value of equities can vary in response to the business activities of the companies or to global changes in the market and/or economic conditions. Historically, equities have generated higher returns in the long term and have entailed greater risks in the short term than any other investment vehicle.

b) Risks associated with investments in debt securities: the main risks connected to investments in debt securities include:

- interest rate risk, i.e. the risk that the value of investments by the Company and each of its Sub-Funds could decrease if interest rates increase;
- credit risk, i.e. the risk that the companies in which the Company is invested might fall into financial difficulties and might no longer be willing or able to honour their commitments towards the Company;
- market risk, i.e. the risk that the value of investments by the Company and each of its Sub-Funds could decrease following general movements in the financial markets;

- management risk, i.e. the risk that investment techniques used by the Company and each of its Sub-Funds could prove inefficient and create losses for the Company;
- counterparty risk, i.e. the risk of a counterparty's bankruptcy leading it to default on payment; and
- high-yield securities risk, i.e. the risk related to the investment in non-investment grade bonds, speculative bonds or junk bonds. Such securities feature a yield higher than investment grade securities counterbalanced by the higher risk of default of the issuer.

c) Risks associated with OTC transactions: the Company may carry out OTC transactions on spot and futures contracts on indices or other financial instruments as well as on swaps on indices or other financial instruments with first-class banks or stockbrokers specialised in these types of transactions acting as counterparty. Although the corresponding markets are not necessarily recognised as being more volatile than other futures markets, traders are less protected from defaults in their transactions on these markets because the contracts traded on them are not guaranteed by a clearing house. The prices of OTC index contracts can be very volatile due to the low margin requirements for this type of contract.

d) Risks associated with currencies: the Company may invest in securities denominated in a certain number of currencies other than the Company's base currency (EUR). Exchange rate fluctuations of foreign currencies affect the value of the securities held by the Company.

e) Liquidity risk: Liquidity risk exists when an asset is difficult to purchase or sell within an expected time horizon. The Sub-Fund is impacted by liquidity risk when Sub-Fund's ability to respond to market movements or meet redemptions request by reducing positions is impaired by factors such as decreased trading volume, increased price volatility, industry and government regulations, increased transaction costs. The illiquid positions may display volatility and be difficult to value. It may be costly or temporary impossible for a Sub-Fund to liquidate an illiquid position timely. These impairments may reduce the investment return of the Sub-Fund. Investments securities with substantial market and/or credit risk, emerging market securities and derivatives tend to have the greatest exposure to liquidity risk.

f) Risks of leverage: the Company may include exchange-traded derivatives (including futures and options) and OTC derivatives (including options, futures products, interest rate swaps and credit derivatives) in its investment policy for the purpose of investment and/or hedging. These are volatile instruments generating certain specific risks (risks associated with OTC derivatives, counterparty risk) and exposing investors to the risk of loss. Leverage is provided by the low initial margin deposits that are usually requested when taking a position in such instruments. Thus, a relatively minor change in the price of a contract could result in significant gains or losses compared to the initial margin actually invested, this potential leading to unlimited additional losses in excess of the margin deposited. Furthermore, when used for the purpose of hedging, these instruments and the investments or market sectors being hedged could prove uncorrelated. Transactions in over-the-counter derivatives, such as credit derivatives, may involve additional risk as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk.

g) Risks associated with credit derivative transactions: the Company (or a Sub-Fund) may take part in the credit derivatives market by concluding, for example, credit default swaps in order to sell or purchase protection. A credit default swap (CDS) is a bilateral financial contract whereby a counterparty (the protection buyer) pays a periodic fee in exchange for a payoff from the protection seller in the event that a credit event affecting the reference issuer should arise. The protection buyer acquires the right either to sell a particular bond or bonds of the reference issuer at par value or to receive the difference between the par value and the market price of said reference bond or bonds (or any other previously determined reference value or strike price) in the event that a credit event should arise. A credit event includes bankruptcy, insolvency, judicial settlement, significant debt restructuring or the inability to honour a payment obligation on the stipulated date. The International Swaps and Derivatives Association (ISDA) has established standardised documentation entitled the "ISDA Master Agreement" relating to such derivative contracts. The Company may use credit derivative products for hedging the specific risk of certain issuers held in the portfolio by purchasing protection. Furthermore, if it is in the Company's own best interests, it may purchase protection via credit derivatives without holding the underlying assets. While acting in its own best interests, the Company may also sell protection via credit derivatives in order to acquire specific credit exposure. The Company may only take part in OTC credit derivative transactions if the counterparty is a first-class financial institution specialised in this type of transaction and, if this is the case, the transaction complies with the standards laid down by the ISDA Master Agreement.

h) Emerging markets risks: price fluctuations can be significant and the operating and supervision conditions may deviate from the standards prevailing on the major international exchanges due to investment in emerging markets.

i) Volatility risk: the increase or decrease in volatility which is unrelated with the performance of traditional real securities markets may lead to a fall in Net Asset Value. The Company is exposed to this risk, particularly through derivative products with volatility as the Underlying instrument.

j) Risk associated with commodity indices: changes in commodity prices and the volatility of the sector may cause the Net Asset Value to fall. The Company is exposed to this risk, particularly through investment in derivative products with commodity indices as the Underlying security.

k) Risk associated with hedging foreign-currency units: units in currencies other than the Euro and that are hedged are covered against currency risk. This hedging may not be related and may generate a performance differential between units in different currencies.

l) Risk associated with market capitalisation: the Company is mainly exposed to one or more equity markets of small and medium cap stocks. As there are fewer small and mid-cap stocks listed on stock exchanges, market movements are more pronounced and rapid than in the case of large cap stocks. The Net Asset Value of the Company may therefore assume the same behaviour.

m) Risk of capital loss: the Company is managed on a discretionary basis and does not guarantee or protect the capital invested. A capital loss occurs when a unit is sold at a lower price than that paid at the time of purchase.

n) Risk associated with discretionary management: discretionary management relies on the expected evolution of the different markets. There is a risk that the product might not be invested in the best-performing markets at all times.

o) Risk associated with Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS): the Company (or a Sub-Fund) may invest in ABS or in MBS, which may expose Shareholders and potential investors to a higher level of credit risk. As ABS and MBS are backed by debts, the impairment of the value of the surety underlying the security, such as the non-payment of loans, may be reflected in a reduction in the value of the security itself and generate a loss for the Sub-Fund.

p) Risk associated with the management of collateral: cash collateral and re-invested cash collateral may be subject to currency risks, interest rate risks, counterparty and credit risks, operational risks and legal risks.

q) Long/Short risk: This risk is associated with long and/or short positions used to adjust net market exposure. The Company could suffer high losses if its long and short exposures were to move simultaneously in the wrong directions.

r) ESG risk: There is no guarantee that investments that include Environmental, Social and Governance criteria in company selection will perform better or in line with the reference market.

s) Sustainability risk: means an environmental, social or governance event or condition that, if it occurs, may cause an actual or a potential material negative impact on the value of the investments and, ultimately, on the Net Asset Value of the Company. See chapter 29 for further details.

t) Risk associated with unlisted securities: These securities carry a liquidity risk due to the absence of an active market and the nature of issuers; these securities also carry a valuation risk given the absence of listings and market references. The inability to sell these securities at the times and prices initially planned may therefore have a negative impact on the net asset value of the sub-fund.

u) Arbitrage risk: Arbitrage is an investment technique which consists in investing in assets subject to price discontinuities or price differences. Arbitrage seeks to benefit from such price differences (e.g. in markets, sectors, securities, currencies). If arbitrage performs unfavorably, an investment may lose its value and generate a loss for the Sub-Fund.

5. BOARD OF DIRECTORS

The Board of Directors is responsible for the overall management of the Company, including determining the creation, effective launch date and closing of Sub-Funds and Share Classes. The Board of Directors will also determine at its own discretion the price at which any Share Class will be launched.

6. MANAGEMENT COMPANY

The Company has appointed, for its day-to-day running, Carmignac Gestion Luxembourg S.A. as its management company.

The main general features of Carmignac Gestion Luxembourg S.A. (hereinafter the "**Management Company**") are as follows:

- **Company type:** public limited company (*Société Anonyme*) subject to Chapter 15 of the Law of 2010 and the supervision of the CSSF;
- **Registered office:** 7, rue de la Chapelle, L-1325 Luxembourg, Grand Duchy of Luxembourg;
- **Incorporation:** on 27 November 1998 for an indefinite period;
- **Articles of association:** published on 2 March 1999 in the *Mémorial, Recueil des Sociétés et Associations*;
- **Luxembourg trade and companies' registration number:** B67549;
- **Share Capital:** EUR 23,000,000 which is entirely paid up;
- **Agreement with the Company:** open-ended agreement signed on 30 August 2013 between the Company and the Management Company, which may be terminated by either party according to the terms set out within;
- **Services provided by the Management Company to the Company:** management of the Company's portfolio, administration of the Company and marketing of Company's Shares;
- **Other funds managed by Carmignac Gestion Luxembourg S.A.:**
  - CFP 1 (French *fonds professionnel specialisé*)

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The Management Company' activities remain under the ongoing control and ultimate responsibility of the Board of Directors. Subject to the Applicable Laws and the consent of the Board of Directors, the Management Company is authorised to delegate its duties to third parties, retaining however control and supervision.

The Management Company remuneration policy promotes sound and effective management and does not encourage excessive risk-taking decisions. It is consistent with the goals and interests of the investment managers, the UCITS managed and UCITS investors and aim to avoid any conflict of interests.

The remuneration policy has been designed and implemented to promote sustainable value creation and stability for the Management Company while being able to attract, grow and retain motivated and efficient employees.

The remuneration policy provides a structured remuneration system with a sufficiently high fixed component and a pre-determined variable remuneration for risk takers to reward the creation of long-term value. A sufficient percentage of the variable remuneration for risk takers individuals is deferred over three years and is definitely acquired if it is consistent with the financial situation of the Management Company. Furthermore, all of this deferred compensation is subjected to a post adjustment mechanism depending on the performance of the funds managed by the Management Company and on the preservation of long-term interests of the UCITS managed.

The remuneration policy has been approved by the board of directors of the Management Company. The principles of the remuneration policy are reviewed on a regular basis by the compensation and nomination Committee and adapted to the evolution of the regulatory framework. Details of the remuneration policy including a description on how the remuneration and benefits are calculated and the information relating to the compensation and nomination committee can be found on the following website: https://www.carmignac.lu/en/regulatory-information. A hard copy is available free upon request.

7. DEPOSITARY

BNP Paribas, Luxembourg Branch is a branch of BNP Paribas. BNP Paribas is a licensed bank incorporated in France as a *Société Anonyme* (public limited company) registered with the *Registre du commerce et des sociétés Paris* (Trade and Companies' Register) under number No. 662 042 449, authorised by the *Autorité de Contrôle Prudentiel et de Résolution* (ACPR) and supervised by the *Autorité des Marchés Financiers* (AMF), with its registered address at 16 Boulevard des Italiens, 75009 Paris, France, acting through its Luxembourg Branch, whose office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg, registered with the Luxembourg Trade and Companies' Register under number B23968 and supervised by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**").

BNP Paribas, Luxembourg Branch has been appointed Depositary of the Company under the terms of a written agreement dated 13 October 2016 between BNP Paribas, Luxembourg Branch and the Company (the "Depositary").

The Depositary performs three types of functions, namely (i) the oversight duties (as defined in Art 34(1) of the law of December 17, 2010), (ii) the monitoring of the cash flows of the Company (as set out in Art 34(2) of the law of December 17, 2010) and (iii) the safekeeping of the Company's assets (as set out in Art 34(3) of the law of December 17, 2010).

Under its oversight duties, the Depositary is required to:

(1) ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the law of December 17, 2010 or with the Company's Articles of Incorporation,

(2) ensure that the value of Shares is calculated in accordance with the law of December 17, 2010 and the Company's Articles of Incorporation,

(3) carry out the instructions of the Company or the Management Company acting on behalf of the Company, unless they conflict with the law of December 17, 2010 or the Company's Articles of Incorporation,

(4) ensure that in transactions involving the Company's assets, the consideration is remitted to the Company within the usual time limits;

(5) ensure that the Company's revenues are allocated in accordance with the law of December 17, 2010 and its Articles of Incorporation.

The overriding objective of the Depositary is to protect the interests of the Shareholders of the Company, which always prevail over any commercial interests.

Conflicts of interest may arise if and when the Management Company or the Company maintains other business relationships with BNP Paribas, Luxembourg Branch in parallel with an appointment of BNP Paribas, Luxembourg Branch acting as Depositary.

Such other business relationships may cover services in relation to:

- Outsourcing/delegation of middle or back-office functions (e.g. trade processing, position keeping, post trade investment compliance monitoring, collateral management, OTC valuation, fund administration inclusive of net asset value calculation, transfer agency, fund dealing services) where BNP Paribas or its affiliates act as agent of the Company or the Management Company, or
- Selection of BNP Paribas or its affiliates as counterparty or ancillary service provider for matters such as foreign exchange execution, securities lending, bridge financing.

The Depositary is required to ensure that any transaction relating to such business relationships between the Depositary and an entity within the same group as the Depositary is conducted at arm's length and is in the best interests of Shareholders.

In order to address any situations of conflicts of interest, the Depositary has implemented and maintains a management of conflicts of interest policy, aiming namely at:

- Identifying and analysing potential situations of conflicts of interest;
- Recording, managing and monitoring the conflict of interest situations either in:
  - Relying on the permanent measures in place to address conflicts of interest such as segregation of duties, separation of reporting lines, insider lists for staff members;
  - Implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall, (i.e. by separating functionally and hierarchically the performance of its Depositary duties from other activities), making sure that operations are carried out at arm's length and/or informing the concerned [Shareholders]~~[Unitholders]~~ of the Company, or (ii) refuse to carry out the activity giving rise to the conflict of interest;
  - Implementing a deontological policy;
  - recording of a cartography of conflict of interests permitting to create an inventory of the permanent measures put in place to protect the Company's interests; or
  - setting up internal procedures in relation to, for instance (i) the appointment of service providers which may generate conflicts of interests, (ii) new products/activities of the Depositary in order to assess any situation entailing a conflict of interest.

In the event that conflicts of interest do arise, the Depositary will undertake to use its reasonable endeavors to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Company and the Shareholders are fairly treated.

The Depositary may delegate to third parties the safekeeping of the Company's assets subject to the conditions laid down in the applicable laws and regulations and the provisions of the Depositary Agreement. The process of appointing such delegates and their continuing oversight follows the highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment. Such delegates must be subject to effective prudential regulation (including minimum capital requirements, supervision in the jurisdiction concerned and external periodic audit) for the custody of financial instruments. The Depositary's liability shall not be affected by any such delegation.

A potential risk of conflicts of interest may occur in situations where the delegates may enter into or have a separate commercial and/or business relationships with the Depositary in parallel to the custody delegation relationship.

In order to prevent such potential conflicts of interest from crystalizing, the Depositary has implemented and maintains an internal organization whereby such separate commercial and / or business relationships have no bearings on the choice of the delegate or the monitoring of the delegates' performance under the delegation agreement.

A list of these delegates and sub-delegates for its safekeeping duties is available on the website:
https://securities.cib.bnpparibas/regulatory-publications/

Such list may be updated from time to time.

Updated information on the Depositary's custody duties, a list of delegations and sub-delegations and conflicts of interest that may arise, may be obtained, free of charge and upon request, from the Depositary.

BNP Paribas, Luxembourg Branch, being part of a group providing clients with a worldwide network covering different time zones, may entrust parts of its operational processes to other BNP Paribas Group entities and/or third parties, whilst keeping ultimate accountability and responsibility in Luxembourg. The entities involved in the support of internal organisation, banking services, central administration and transfer agency service are listed on the website: https://securities.cib.bnpparibas/luxembourg/ under "HR, Regulatory disclosures & Publications Corner".

. Further information on BNP Paribas, Luxembourg Branch international operating model linked to the Company may be provided upon request by the Company and/or the Management Company.

The Company may release the Depositary from its duties with ninety (90) days written notice to the Depositary. Likewise, the Depositary may resign from its duties with ninety (90) days written notice to the Company. In that case, a new depositary must be designated to carry out the duties and assume the responsibilities of the Depositary, as defined in the agreement signed to this effect. The replacement of the Depositary shall happen within two months.

8. UCI ADMINISTRATION AGENT (ADMINISTRATIVE AGENT, DOMICILIARY AGENT, REGISTRAR AND TRANSFER AGENT, PAYING AGENT)

The UCI Administration agent of the Company is CACEIS Bank, Luxembourg Branch, with its registered office at 5, allée Scheffer, L-2520 Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B209310. In this capacity, CACEIS Bank, Luxembourg Branch is responsible for calculation of the net asset value of the shares of the Fund, acts as Transfer Agent and Registrar for the Company and is responsible for client communication. The Transfer Agent and Registrar is responsible for the issue, redemption and conversion of shares and for the maintenance of the register of Shareholders.)

CACEIS Bank, Luxembourg Branch, appointed by Carmignac Portfolio as Domiciliary Agent, Administrative Agent, Registrar and Transfer Agent and Paying Agent through an agreement as of 30 August 2013 has turned into the Luxembourg branch of CACEIS Bank with effect as of 31 December 2016 through a cross-border merger by way of absorption by CACEIS Bank, a public limited liability company (*société anonyme*) incorporated under the laws of France with a share capital of EUR 440,000,000, having its registered office located at 1-3, place Valhubert, 75013 Paris, France, identified under number 692 024 722 with the RCS of Paris. The name of the Luxembourg Branch is CACEIS Bank, Luxembourg Branch. The transaction was approved by the responsible French and Luxembourg authorities. As a consequence, the Domiciliary Agent, Administrative Agent, Registrar and Transfer Agent and Paying Agent will continue to provide services to Carmignac Portfolio under the abovementioned agreement.

The duties of Administrative Agent consist of maintaining the Company's accounts and calculating the Net Asset Value of the Shares on a regular basis. Moreover, the duties of the Paying Agent consist of receiving payment for subscription requests and undertaking payment of redemption requests (and dividends where applicable).

CACEIS Bank, Luxembourg Branch, as Registrar and Transfer Agent, may subcontract part of its operational activities to two entities of the CACEIS Group located in Hong Kong and Canada ("Service Providers"), thus enabling assistance in providing a global support and the continuity in all time zones ("Follow the Sun").

In compliance with the Luxembourg regulation on professional secrecy and the European regulation regarding the data protection, CACEIS Bank, Luxembourg Branch may communicate to the Service Providers data concerning the fund and the investor, such as its name, address, date and place of birth, nationality, domicile, tax number, identity document number (in case of legal entities: name, date of creation, head office, legal form, registration numbers on the company register and/or with the tax authorities and persons related to the legal entity such as investors, economic beneficiaries and representatives), and more generally any other data and documents concerning the investor held by CACEIS Bank, Luxembourg Branch (together, the "Data"). Communication of the Data to the Service Providers will take place as long as the investor has an investment in the funds and as necessary subsequently.

When subscribing to the Shares, an investor which is a legal entity, declares that it is duly authorised to communicate to CACEIS Bank, Luxembourg Branch the Data concerning its beneficiaries and representatives and accepts the transfer of this Data to the Service Providers.

The Services Providers are committed to protect in terms of integrity and confidentiality all information and personal data in compliance with the Luxembourg regulation on professional secrecy and the European regulation regarding the data protection.

9. INVESTMENT MANAGER

The Management Company may be assisted by one or more investment managers in its portfolio management. At its own expense, the Management Company has appointed Carmignac Gestion S.A., Carmignac UK Ltd. and White Creek Capital LLP to act as Investment Manager for some of the Company's Sub-Funds, as indicated in each Sub-Fund section. The Management Company may decide to appoint new investment managers at any time.

10. THE SHARES

10.1. Description of the Shares and Shareholders' rights

Shares may be issued in different classes depending on the decision of the Board of Directors, which may establish a pool of assets constituting a Sub-Fund, which corresponds to one or more Share Classes.

The Board of Directors may establish a Sub-Fund corresponding to a single or to two or more Share Class(es) as follows: if two or more Share Classes correspond to a given Sub-Fund, the assets attributed to these Classes shall be invested according to the specific investment policy of the Sub-Fund concerned, provided that within a Sub-Fund the Board of Directors may periodically establish Share Classes corresponding to (i) a specific dividend policy, and/or (ii) a specific subscription or redemption fee structure, and/or (iii) a specific management or advisory fee structure, and/or (iv) a specific distribution, Shareholder services or other fee structure, and/or (v) a specific investor profile, and/or (vi) the currency or unit of currency in which the Class may be denominated, and/or (vii) such other characteristics, in accordance with the Applicable Laws.

The Board of Directors may at any time elect to launch new share classes in all existing Sub-Funds. The Board of Directors may also at any time, as far as there are economic and legal grounds, elect to dissolve a share class or exchange shares of a share class to shares in another share class of the Sub-Fund. The new shares to be launched will have the same general characteristics as the existing shares of the Company (including but limited to A/AW, E, F/FW, I/IW, M or X/XW shares) as indicated on the sub-fund sheets. The new shares may be denominated in one or more of the currencies of developed countries such as (but not limited to) EUR, USD, GBP, CHF, JPY, SEK, NOK, DKK, HGD and CAD. Shares of the BRL Class will be denominated in USD or EUR but hedged to BRL, using systematically derivative instruments (including

Non-Deliverable Forwards), with respect to currency movements in relation to the Sub-fund base currency against BRL in order to provide Shareholders invested in the BRL Class with returns reflecting the value of the BRL against the Sub-fund's base currency. Shares of the BRL Class are designed to accommodate the access to the distribution to underlying Shareholders domiciled in Brazil. The prospectus will be updated with a retroactive effect. The up-to-date information on current share classes is available on the Carmignac website www.carmignac.com or at the registered office of the Management Company.

Shares may be subscribed, redeemed or converted on the basis of an unknown Net Asset Value subject to the conditions described hereinafter. The Company shall however ensure that transactions related to market timing are not accepted and shall take every measure necessary to eliminate the use of such practices. In addition, if it becomes necessary on a given Valuation Day to redeem more than 10% of the number of Shares outstanding of the Sub-Fund in question as a result of redemption or conversion requests, the Board of Directors may decide to postpone these redemption or conversion requests until the following Valuation Day of the Sub-Fund in question. On this date, the redemption or conversion requests that have been postponed (and not cancelled) will be processed with priority over those redemption and conversion requests received on that Valuation Day that have not been postponed.

Shares are issued in registered form for all Sub-Funds with no nominal value and are fully paid up. Fractions of Shares may be issued up to three decimal places. No individual Share certificate shall be issued for registered Shares. Owners of registered Shares will receive confirmation of their registration.

One voting right is allocated for every whole Share of each Sub-Fund. No voting rights shall be allocated with respect to fractions of Shares. Shareholders are entitled to the general rights of Shareholders, as described in the Luxembourg Law of 1915 on commercial companies (the **"Law of 1915"**), with the exception of the preferential right to subscribe new Shares. Shareholders and potential investors are informed that they may fully exercise their rights, e.g. the rights to participate in general Shareholder meetings, only if they are registered themselves and in their own name in the Company's Shareholders' register. Should an investor invest in the Company through an intermediary, i.e. investing in the Company in the intermediary's own name but on behalf of the investor, the exercise of certain rights towards the Company may not always be possible.

The Board of Directors shall determine whether Accumulation Shares and/or Income Shares are issued in each Sub-Fund. Should this be the case, any Share may be issued, at the Shareholder's choice, either as an Income Share (giving rise to an annual distribution in the form of dividends of an amount to be decided by the general meeting of Shareholders for the Sub-Fund to which this Share relates), or as an Accumulation Share, for which the annual allocation of an amount decided by the general meeting of Shareholders shall in principle be reinvested in the Sub-Fund to which this Share relates.

As dividends are allocated to the Income Shares of a given a Sub-Fund, the proportion of the Sub-Fund's net assets attributable to the Income Shares shall decrease by the total amounts of dividends distributed while the proportion of the Sub-Fund's net assets attributable to the Accumulation Shares shall increase as a consequence of the reinvestment of the undistributed income.

Shareholders may at any time request that an Income Share be converted into an Accumulation Share or vice versa. In this case, the Company shall be entitled to charge any costs incurred to the Shareholder.

10.2. Entities authorised to receive subscriptions and redemptions requests

The Management Company, Carmignac Gestion S.A. and the representatives of the Company in different countries, as well as any entity, such as distributors, mentioned for this purpose in the periodic reports, are authorised to receive on each bank business day subscription, redemption and conversion requests at their offices, requests which must be sent to Luxembourg for execution.

These entities are required to respect the provisions of the Luxembourg regulations relating to the fight against money laundering, in particular the law of 12 November 2004 on the fight against money laundering and the financing of terrorism, as amended and supplemented, and the related CSSF Regulation 12-02 of 14 December 2012.

Subscribers must, among other things, provide proof of their identity to these entities or the agent that registers their subscription, redemption or conversion orders. The latter must request in particular the following pieces of identification from subscribers: (i) for natural persons, a certified true copy (by the distributor, sales agent or local administrative authorities) of their passport/identity card; (ii) for companies and other legal entities, *inter alia*, a certified true copy of

the articles of association, a certified true copy of the extract from the commercial register, a copy of the most recently published annual report, the full names of the ultimate beneficial owners.

11. ISSUE OF SHARES, SUBSCRIPTION AND PAYMENT PROCEDURE

Shares may be issued at any time and without limitation subject however to the conditions that:

- orders to be executed at the Net Asset Value of a given Valuation Day are received before the following deadlines by the Company or any other entity appointed by the Company on the day prior to the Valuation Day (or exceptionally two days prior to the Valuation Day if indicated below) and forwarded to the Administrative Agent in Luxembourg on that Valuation Day:

Before 6.00pm (CET/CEST)	**Before 3.00pm (CET/CEST)**
CARMIGNAC PORTFOLIO Grande Europe CARMIGNAC PORTFOLIO Global Bond CARMIGNAC PORTFOLIO Flexible Bond CARMIGNAC PORTFOLIO Emerging Patrimoine CARMIGNAC PORTFOLIO Credit CARMIGNAC PORTFOLIO EM Debt CARMIGNAC PORTFOLIO Patrimoine Europe CARMIGNAC PORTFOLIO Grandchildren CARMIGNAC PORTFOLIO Human Xperience CARMIGNAC PORTFOLIO Inflation Solution CARMIGNAC PORTFOLIO Tech Solutions CARMIGNAC PORTFOLIO Sustainable Bond	CARMIGNAC PORTFOLIO Emergents CARMIGNAC PORTFOLIO Long-Short European Equities CARMIGNAC PORTFOLIO Investissement CARMIGNAC PORTFOLIO Patrimoine CARMIGNAC PORTFOLIO Sécurité CARMIGNAC PORTFOLIO Absolute Return Europe
Before 1.30pm (CET/CEST)	
CARMIGNAC PORTFOLIO Evolution CARMIGNAC PORTFOLIO Merger Arbitrage Plus CARMIGNAC PORTFOLIO Asia Discovery	
Before 3.00pm (CET/CEST) two days prior to the Valuation day	
CARMIGNAC PORTFOLIO China New Economy	

- orders accepted after this deadline will be processed at the Net Asset Value of the Valuation Day following the given Valuation Day;
- the minimum amount of the initial subscription and any subsequent investment as specified in the relevant section of the prospectus for each Sub-Fund are complied with, the Management Company reserving however the right to waive these minimum amounts at any time as it deems appropriate;
- orders state the number of Shares requested or the amount to be invested, the relevant Share Class, whether the registered Shares are Income Shares or Accumulation Shares.

Only a confirmation of registration shall be issued.

In some countries, the subscription of Shares may be carried out according to the specific procedures authorised by the regulatory authority of the country in question.

The subscription price consists of the Net Asset Value plus a possible fixed subscription fee, as set out in the Part A: "The Sub-Funds of CARMIGNAC PORTFOLIO" of this prospectus. The charges pertaining to a particular Sub-Fund are listed in the Part A: "The Sub-Funds of CARMIGNAC PORTFOLIO" of this prospectus. Shares may also be issued in return for a contribution in kind pursuant to the Law of 1915, as described in the Articles of Association and in this prospectus.

Any tax and brokerage fee related to the subscription of Shares are borne by the subscriber. Such fees may not exceed the maximum amount authorised by the Applicable Laws and banking practices of the countries where the Shares are purchased.

The Board of Directors may limit or block the ownership of Shares by any natural person or legal entity if it deems that this ownership may be detrimental to the Company in accordance with the Articles of Association.

The payment of the subscription amount will be made in the currency of the relevant Sub-Fund or Share Class or in any currency determined by the Board of Directors, by telegraphic transfer or cheque payable to the account of CACEIS Bank, Luxembourg Branch, reference "CARMIGNAC PORTFOLIO", quoting the Sub-Fund purchased. If a Shareholder wishes to

make payment in a currency other than that of the relevant Sub-Fund or Share Class, the costs of the foreign exchange conversion will be borne by the Shareholder, the Company declining all responsibility.

Notwithstanding the foregoing, the payment of the subscription amount for the BRL share class will be made in either USD or EUR as indicated in the share characteristics on each sub-fund sheet.

The Company reserves the discretionary right to present all cheques and payment orders as soon as they are received and to withhold the Shares and/or payments in excess of the purchase price until applicants' cheques have been cleared.

The Company reserves the right to deny any purchase request or to accept only a part thereof, especially if the payment and a written purchase request fail to be received on the above-mentioned date. If a request has been fully or partially denied, the price paid or the balance thereof will be returned by post to the applicant, at the latter's risk. Furthermore, the Board of Directors reserves the right to halt the issue and sale of the Shares of each Sub-Fund at any time and without prior notice in accordance with this prospectus.

In the event of extraordinary circumstances that might negatively affect the interests of Shareholders, the Board of Directors reserves the right to carry out further valuations within the same day, which will be valid for all subscription, redemption or conversion requests made during the day in question; the Board of Directors will ensure that Shareholders who have submitted a subscription, redemption or conversion request in the course of the day will be treated equally.
Shareholders are reminded that request transmitted to intermediaries other than the Administrative Agent must take into consideration the fact that cut off time for centralisation of request applies to said intermediaries vis-à-vis Administrative Agent. Consequently, such intermediaries may apply their own cut-off time, which may be earlier than the cut off time indicated above in order to take into account the time required to transmit the request to the Administrative Agent.

Timeline for Subscription Orders and Cash Settlement:

(a) All Sub-Funds (except for CARMIGNAC PORTFOLIO China New Economy):

T before cut off	Order sent by investor to Transfer Agent
T+1	NAV calculation and Share(s) issued to Shareholders
T+3	• Cash Settlement for the trades of EUR, CHF, USD, GBP, CAD and BRL Share Classes

(b) The Sub-Fund "CARMIGNAC PORTFOLIO China New Economy":

T-1 before cut off	Order sent by investor to Transfer Agent
T+1	NAV calculation and Share(s) issued to Shareholders
T+2	• Cash Settlement for the trades of EUR, CHF, USD, GBP, CAD and BRL Share Classes

12. REDEMPTION OF SHARES

Shares may be redeemed at any time subject however to the limits set by the Law of 2010 and to the conditions that:

- orders to be executed at the Net Asset Value of a given Valuation Day are received before the following deadlines by the Company or any other entity appointed by the Company on the day prior to the Valuation Day (or exceptionally two days prior to the Valuation Day if indicated below) and forwarded to the Administrative Agent in Luxembourg on that Valuation Day:

Before 6.00pm (CET/CEST)	Before 3.00pm (CET/CEST)
CARMIGNAC PORTFOLIO Grande Europe CARMIGNAC PORTFOLIO Global Bond CARMIGNAC PORTFOLIO Flexible Bond CARMIGNAC PORTFOLIO Emerging Patrimoine CARMIGNAC PORTFOLIO Credit CARMIGNAC PORTFOLIO EM Debt CARMIGNAC PORTFOLIO Patrimoine Europe CARMIGNAC PORTFOLIO Grandchildren CARMIGNAC PORTFOLIO Human Xperience CARMIGNAC PORTFOLIO Inflation Solution	CARMIGNAC PORTFOLIO Emergents CARMIGNAC PORTFOLIO Long-Short European Equities CARMIGNAC PORTFOLIO Investissement CARMIGNAC PORTFOLIO Patrimoine CARMIGNAC PORTFOLIO Sécurité CARMIGNAC PORTFOLIO Absolute Return Europe

CARMIGNAC PORTFOLIO Tech Solutions CARMIGNAC PORTFOLIO Sustainable Bond	
Before 1.30pm (CET/CEST)	
CARMIGNAC PORTFOLIO Evolution CARMIGNAC PORTFOLIO Merger Arbitrage Plus CARMIGNAC PORTFOLIO Asia Discovery	
Before 3.00pm (CET/CEST) two days prior to the Valuation day	
CARMIGNAC PORTFOLIO China New Economy	

- orders accepted after this deadline will be processed at the Net Asset Value of the Valuation Day following the given Valuation Day;
- order must specify the name of the vendor and the number of securities to be redeemed, the Sub-Fund or Share Class to which they belong, whether they are Income Shares or Accumulation Shares, the name in which they are registered as well as the details regarding the person to whom the redemption proceeds must be paid, and must further be accompanied by any documentary evidence of a transfer.

The redemption price consists of the Net Asset Value minus a possible fixed redemption fee and early redemption fee, where applicable, as set out in the Part A: "The Sub-Funds of CARMIGNAC PORTFOLIO" of this prospectus.

Shareholders will be reimbursed in the currency of the relevant Sub-Fund or, upon request, in any other freely convertible currency. If a Shareholder wishes to be reimbursed in a currency other than that of the Sub-Fund in question, the costs of the foreign exchange transaction will be charged to the Shareholder only.

Notwithstanding the foregoing, the shareholders of the BRL share class will be reimbursed in either USD or EUR as indicated in the share characteristics on each sub-fund sheet.

To ensure sufficient liquidity within the relevant Sub-Fund's assets, the payment of the redemption price will take place within the deadline laid down in the detailed section of the prospectus, unless the transfer of the redemption price proves impossible as a result of legal provisions concerning restrictions on foreign exchange or transfers or due to other circumstances beyond the Depositary's control, and provided that the relevant Share certificates, if any, have been returned.

The payment will be made by cheque denominated in the currency of the Sub-Fund in question or in any other convertible currency according to the request, sent by post to the Shareholder or at the request and the expense of the latter by transfer payable to the bank account indicated by the Shareholder.

The redemption price of Shares of the Company may be higher or lower than the purchase price paid by the Shareholder.

Shareholders are reminded that request transmitted to intermediaries other than the Administrative Agent must take into consideration the fact that cut off time for centralisation of request applies to said intermediaries vis-à-vis Administrative Agent. Consequently, such intermediaries may apply their own cut-off time, which may be earlier than the cut off time indicated above in order to take into account the time required to transmit the request to the Administrative Agent.

Timeline for Redemption Orders and Cash Settlement:

(a) All Sub-Funds (except for CARMIGNAC PORTFOLIO China New Economy):

T before cut off	Redemption sent by investor to Transfer Agent
T+1	NAV calculation and redemption of Share(s)
T+3	• Cash settlement of the trades for EUR, CHF, USD, GBP, CAD or BRL Share Classes

(a) The Sub-Fund "CARMIGNAC PORTFOLIO China New Economy":

T-1 before cut off	Redemption sent by investor to Transfer Agent
T+1	NAV calculation and redemption of Share(s)
T+2	• Cash Settlement for the trades of EUR, CHF, USD, GBP, CAD or BRL Share Classes

13. CONVERSION OF SHARES

Shares may be converted at any time subject however to the limits set by the Law of 2010 and to the conditions that:

- orders to be executed at the Net Asset Value of a given Valuation Day are received before the following deadlines by the Company or any other entity appointed by the Company on the day prior to the Valuation Day (or exceptionally two days prior to the Valuation Day if indicated below) and forwarded to the central administration in Luxembourg on that Valuation Day:

Before 6.00pm (CET/CEST)	Before 3.00pm (CET/CEST)
CARMIGNAC PORTFOLIO Grande Europe CARMIGNAC PORTFOLIO Global Bond CARMIGNAC PORTFOLIO Flexible Bond CARMIGNAC PORTFOLIO Emerging Patrimoine CARMIGNAC PORTFOLIO Credit CARMIGNAC PORTFOLIO EM Debt CARMIGNAC PORTFOLIO Patrimoine Europe CARMIGNAC PORTFOLIO Grandchildren CARMIGNAC PORTFOLIO Human Xperience CARMIGNAC PORTFOLIO Inflation Solution CARMIGNAC PORTFOLIO Tech Solutions CARMIGNAC PORTFOLIO Sustainable Bond	CARMIGNAC PORTFOLIO Emergents CARMIGNAC PORTFOLIO Long-Short European Equities CARMIGNAC PORTFOLIO Investissement CARMIGNAC PORTFOLIO Patrimoine CARMIGNAC PORTFOLIO Sécurité CARMIGNAC PORTFOLIO Absolute Return Europe
Before 1.30pm (CET/CEST)	
CARMIGNAC PORTFOLIO Evolution CARMIGNAC PORTFOLIO Merger Arbitrage Plus CARMIGNAC PORTFOLIO Asia Discovery	
Before 3.00pm (CET/CEST) two days prior to the Valuation day	
CARMIGNAC PORTFOLIO China New Economy	

- orders received after this cut-off time will be processed at the Net Asset Value of the Valuation Day following the given Valuation Day;
- orders shall indicate (i) the number of Shares for which the conversion is requested, the Sub-Fund or Share Class to which they belong, whether they are Accumulation Shares or Income Shares, as well as the details of the Sub-Fund of the new Shares and whether the latter are to Income Shares or Accumulation Shares, (ii) whether any possible physical delivery of the Shares must take place as well as the address to which the payment of any possible balance arising from the conversion must be sent;
- orders must be accompanied by the Shares for which the conversion is requested;
- orders must be formulated according to the procedures laid down for the subscription and redemption of Shares, as described above; in particular the minimum of initial and subsequent subscription as specified in the relevant Sub-Fund fact sheet(s) in the Part A of this prospectus must be respected.
- the conversion may only take place on those Valuation Days in Luxembourg that the relevant Sub-Funds have in common.

The Shares to which all or part of the Shares of one Sub-Fund is converted into Shares of another Sub-Fund (the "**New Sub-Fund**") is determined on a value-for-value basis, i.e. based on the Net Asset Values of both Sub-Funds (an, if applicable, any currency exchange rates) at the time the Company processes the order.

Any conversion fee and early redemption fee, where applicable, that may be payable is specified in the Part A: "The Sub-Funds of CARMIGNAC PORTFOLIO" of this prospectus. Fractions of Shares of the New Sub-Fund or in the new Class of Shares arising from the conversion will only be allocated up to the third decimal place. The Company will be entitled to any balance not used in the payment. Where appropriate, after the conversion the Company will inform Shareholders of any amount in conversion charges still to be paid.

In the case of the conversion of Income Shares into Accumulation Shares and vice versa within the same Sub-Fund, no fees, commissions or charges will be payable. The number of new Shares to be issued will be determined by the value of the Shares redeemed, divided by the unit value of the Shares of the Class in which the issue is requested.

Shareholders are reminded that request transmitted to intermediaries other than the Administrative Agent must take into consideration the fact that cut off time for centralisation of request applies to said intermediaries vis-à-vis Administrative Agent. Consequently, such intermediaries may apply their own cut-off time, which may be earlier than

the cut off time indicated above in order to take into account the time required to transmit the request to the Administrative Agent.

Timeline for Conversion Orders and Settlement:

(a) All Sub-Funds (except for CARMIGNAC PORTFOLIO China New Economy):

T before cut off	Order sent by investor to Transfer Agent
T+1	NAV calculation and conversion
T+3	• Settlement of the trades for EUR, CHF, USD, GBP, CAD or BRL Share Classes

(b) The Sub-Fund "CARMIGNAC PORTFOLIO China New Economy":

T-1 before cut off	Order sent by investor to Transfer Agent
T+1	NAV calculation and conversion
T+2	• Settlement for the trades of EUR, CHF, USD, GBP, CAD or BRL Share Classes

14. DIVIDENDS

Within each Class of Shares, the Board of Directors may decide to issue Accumulation Shares and/or Income Shares.

The main objective of the Accumulation Shares in the various Sub-Funds is capital growth, which is re-invested in the Company. The main objective of the Income Shares of the different Sub-Funds is to achieve total growth through an increase in both capital and income.

If a dividend is declared by the Company, it will be paid to each Shareholder concerned in the currency of the relevant Sub-Fund or Class of Shares, as well as in accordance with the frequency provided for specific Class of Shares.

Notwithstanding the foregoing, the dividend payments for the BRL share class will be made in either USD or EUR as indicated in the share characteristics on each sub-fund sheet.

Dividend payments are restricted by the Applicable Laws in that they may not reduce the assets of the Company below the required minimum capital as set forth in the Law of 2010.

Following each distribution in cash to the Income Shares, the portion of the Sub-Fund's net assets attributable to all the Income Shares shall be reduced in proportion to this distribution, thus leading to a reduction in the percentage of the Sub-Fund's net assets attributable to all the Income Shares; the portion of the Sub-Fund's net assets attributable to all Accumulation Shares, on the other hand, shall remain the same, thus leading to an increase in the percentage of the Sub-Fund's net assets attributable to all Accumulation Shares.

No distribution of dividends shall be made should this be in the interest of Shareholders in specific market conditions.

Any declared dividend that has not been claimed by its beneficiary within five (5) years of its allocation may no longer be claimed and shall revert to the Sub-Fund in question. Nevertheless, the Company reserves the right to pay out the dividends in question up to a maximum of five (5) years after this 5-year period of limitation.

No interest shall be paid on a declared dividend for Shares of a Sub-Fund and this dividend shall be retained by the Company at the beneficiary's disposal.

The dividend policy applicable for each Class of Shares or Sub-Fund is further described in Part A: "The Sub-Funds of CARMIGNAC PORTFOLIO" of this prospectus.

15. DETERMINATION OF THE NET ASSET VALUE

The Net Asset Value per Share is determined on each Valuation Day and in all cases at least twice a month. The Net Asset Value per Share is denominated in the currency of the relevant Class of Shares, as further described for each Sub-Fund in Part A: "The Sub-Funds of CARMIGNAC PORTFOLIO" of this prospectus.

Notwithstanding the foregoing, the Net Asset Value per Share of the BRL share class will be denominated in either USD or EUR as indicated in the share characteristics on each sub-fund sheet.

If the valuation day falls on a bank holiday or partial bank holiday in Paris, the NAV is calculated on the next full bank business day.

The Net Asset Value shall be obtained on the Valuation Day by dividing the Company's net assets corresponding to each Sub-Fund, consisting of the Company's assets corresponding to this Sub-Fund less the liabilities corresponding to this Sub-Fund, by the number of Shares issued for this Sub-Fund. Insofar as and during the period that Income Shares and Accumulation Shares have been issued and are outstanding, the value of the net assets for this Sub-Fund, determined in accordance with the above provisions, shall be broken down between all the Income Shares on the one hand and all the Accumulation Shares on the other.

In relation to the Sub-Funds "CARMIGNAC PORTFOLIO – CREDIT" and "CARMIGNAC PORTFOLIO – EM DEBT", in order to protect the interests of the Shareholders, the Net Asset Value per Share can be adjusted in certain circumstances to prevent or reduce dilution ("swing pricing"). A Sub-Fund may suffer a dilution of Net Asset Value per Share in case that subscriptions, conversions or redemptions are effected at the price that does not reflect the actual cost of selling or purchasing the underlying assets of the Sub-Fund. The price difference may be due to trading charges, taxes and other costs as well as the spread between buying and selling prices of the underlying assets. The Net Asset Value will be adjusted upward when there is net inflows into the above mentioned sub-funds and downward when there is net outflow into these sub-fund in excess of a predetermined threshold. This mechanism is applied at the sub-fund level to all the share classes and is not meant to address specific circumstances of each individual investor. These adjustments will seek to reflect the actual prices of the underlying transactions, based on estimated dealing spreads, costs, and other market and trading considerations, in accordance with the internal process in place in the management company and will not, in normal circumstances, exceed 2% of the Net Asset Value per Share. In extraordinary circumstances, the Board of Directors may raise this limit to protect the Shareholders. Extraordinary circumstances are presented, among others, by (i) an increase of the equity markets volatility beyond usual levels, (ii) a widening of bid/ask spreads in bonds or securitizations markets from usual levels and (iii) a strong reduction of broker quotes on both buy and sell sides. Swing factor does not impact any performance fee calculation as any performance fee will be charged on the basis of the unswung Net Asset Value. Information on the application of swing pricing will be made available to Shareholders on the following website https://www.carmignac.lu/en/regulatory-information and upon request. The Board of Directors has mandated the Management Company to manage the operations related to swing pricing and take the operational decisions on swing pricing on a day-to-day basis, in accordance with the internal instructions, limits and processes approved by the Board of Directors. The swing pricing decisions are duly reported by the Management Company to the Board of Directors and the internal processes are periodically reviewed.

For the purposes of this section:

a) each Share of the Company which shall be redeemed shall be considered an issued and existing Share up until the close of the Valuation Day applicable to the redemption of this Share and, as of this date and until the redemption price is paid, shall be considered a liability of the Company;

b) any investments, cash balances or other assets and liabilities of the Company denominated in a currency other than the Euro shall be valued taking into account the exchange rates in force on the day and at the time that the Net Asset Value of the Shares is determined;

c) any purchase or sale of securities carried out by the Company shall be effective on the Valuation Day insofar as this is possible;

d) in the case of substantial redemption requests or in extraordinary circumstances that could have a detrimental impact on the interests of Shareholders, the Board of Directors reserves the right to determine the Net Asset Value of Shares only after having effected the necessary sales of transferable securities;

e) in the event that extraordinary circumstances prevent or adversely affect the accuracy of the valuation according to the rules laid down above, the Company may follow other generally accepted rules in order to achieve a fair valuation of the Company's assets.

The Net Asset Value of each Sub-Fund, as well as the issue price, may be obtained each bank business day in Paris, at the registered office of the Company or at Carmignac Gestion S.A., 24 Place Vendôme F-75001, Paris, France, or consulted on the following website: www.carmignac.com or on any other publicly available website.

15.1. The assets of the Company

The assets of the Company shall consist of:

a) all cash in hand or at banks, including any interest due;

b) all bills payable, sight bills and accounts receivable in so far as the Company is reasonably aware of such (including the proceeds from sales of securities that have not yet been received);

c) all securities, units, Shares, bonds, option or subscription rights and other investments and transferable securities that are owned by the Company;

d) all dividends and payments to be received by the Company in cash or securities (the Company may nevertheless make adjustments to take account of fluctuations in the market value of transferable securities caused by practices such as ex-dividend or ex-right trading);

e) all outstanding interest generated by the securities owned by the Company, unless however this interest is included in the principle amount of such securities;

f) the formation costs of the Company insofar as they have not been amortised, provided that these formation costs may be deducted directly from the Company's capital;

g) any other assets of any kind whatsoever, including prepaid expenses.

The value of these assets shall be determined on the basis of the closing price on the stock exchange or the markets where the assets held by the Sub-Fund are traded on the day prior to the Valuation Day as follows:

a) the value of cash in hand or at banks, bills payable, sight bills, accounts receivable, prepaid expenses, dividends and interest declared or falling due but not yet received, shall be expressed by the nominal value of these assets, unless it seems unlikely that this value will be received; in such case, the value shall be determined by deducting the amount deemed appropriate by the Company in order to reflect the true value of these assets;

b) the value of any security traded or listed on an official stock exchange shall be determined based on the last known price on the Valuation Day in question;

c) the value of any security traded or listed on another regulated market shall be determined based on the last known price on the Valuation Day in question;

d) insofar as the securities held in the portfolio on the Valuation Day are not traded or listed on an official stock exchange or on another regulated market that operates regularly, is recognised and open to the public or, if in the case of securities that are listed or traded on an official stock exchange or another regulated market, the price determined as per sub-paragraph b) or c) does not represent the true value of these securities, the latter shall be valued on the basis of their foreseeable sale prices, which must be determined prudently and in good faith;

e) should a substantial change in prices occur since the last valuation of the day in question on the markets in which a major proportion of the Company's investments attributable to a Sub-Fund are traded or listed, the Company may cancel the first valuation and make a second valuation in order to safeguard the interests of Shareholders and of the Company. In such a case, this second valuation shall apply to all requests for subscriptions, redemptions and conversions applicable on that date.

15.2. The liabilities of the Company

The liabilities of the Company are deemed to include:

a) all borrowings, interest on loans, bills and accounts payable;

b) all administrative expenses overdue or due (including the remuneration of managers, depositaries, representatives and agents of the Company);

c) all known liabilities, whether due or not, including all matured contractual liabilities payable either in cash or in assets, including the amount of the dividends declared by the Company but not yet paid when the Valuation Day coincides with the date on which the determination is made of the person who is or shall be entitled thereto;

d) a reserve from capital and income allocated for taxes incurred up until the Valuation Day and established by the Board of Directors and other reserves authorised or approved by the Board of Directors;

e) all of the Company's other liabilities of whatever nature with the exception of those represented by the share capital of the Company. To value the amount of these liabilities, the Company may take into account administrative and other regular or recurring expenses by estimating them for the year or any other period and spreading the amount proportionally over this period;

f) insofar as possible, the Company must factor in all the administrative costs and other regular and recurring expenses, e.g. (i) Domiciliary Agent, Independent Auditor and Paying Agent fees, (ii) all the charges for services to the Company, (iii) the printing and distribution costs for certificates, prospectuses, annual and semi-annual financial reports and all other documents published on a regular or occasional basis for the information of Shareholders, (iv) usual bank charges.

15.3. Pool of assets for each Sub-Fund

The Board of Directors shall establish a pool of assets for each Sub-Fund as follows:

a) the proceeds from the issue of Shares of each Sub-Fund shall be attributed in the Company's accounts to the pool of assets established for each Sub-Fund, and the assets, liabilities, income and expenses relating to this Sub-Fund shall be allocated to this pool of assets in accordance with the provisions of this article;

b) assets which derive from other assets shall be attributed to the same pool of assets as the assets from which it was derived in the accounts of the Company. Each time an asset is revalued, the increase or decrease in value is allocated to the pool of assets to which this asset belongs;

c) when the Company incurs a liability in relation to the assets of one specific pool or in relation to an action taken in the context of this specific pool, this liability shall be allocated to the pool in question;

d) in the event that an asset or a liability of the Company cannot be allocated to a specific pool, this asset or liability shall be allocated to all pools pro-rata to the Net Asset Value of the different Sub-Funds; the assets of a specific Sub-Fund shall only be liable for the debts, liabilities and commitments of that Sub-Fund, unless stipulated otherwise in the Articles of Association; in respect of the relationship between Shareholders, each Sub-Fund shall be treated as a separate entity;

e) following the payment of dividends to the Shareholders of a Sub-Fund, the Net Asset Value of this Sub-Fund shall be reduced by the amount of these dividends.

15.4. NAV errors, non-compliance with investment rules and occurrence of other errors

The Management Company, under the supervision of the Board of Directors, has the responsibility to ensure the implementation of good organization in order to prevent as far as possible the occurrence of NAV errors, non-compliance with investment rules and occurrence of other errors. In the event that such errors/instances of non-compliance occur nevertheless, the Management Company, under the supervision of the Board of Directors, will ensure that the applicable laws and regulations, as regards the treatment of these errors/instances of non-compliance, the correction of the error/non-compliance and the compensation for any loss suffered by the Company, its Sub-Fund and/or the investors, are complied with. The fees resulting from the corrective actions of an error/non-compliance will not be borne by the Company and will thus not be withdrawn from its assets.

In the event of NAV calculation errors, non-compliance with investment rules and occurrence of other errors giving rise to compensation payments under the applicable laws and regulations, such payments will be made to the investors recorded in the register of Shareholders. Should an investor invest in the Shares of the Company through an intermediary, i.e. an entity investing in the Company in its own name but on behalf of the investor (financial beneficiary), the payments shall pass through the intermediary. To that end, the Management Company, under the supervision of the Board of

Directors, will ensure that all the necessary information relating to the error/non-compliance is provided to the intermediaries recorded in the register of Shareholders so that they can assume their responsibilities and make the necessary compensation payments to the investors. It should however be noted that the compensation right of the financial beneficiaries having subscribed in the Shares of the Company through an intermediary may be affected.

16. TEMPORARY SUSPENSION OF THE NET ASSET VALUE CALCULATION AND OF ISSUES, REDEMPTIONS AND CONVERSIONS

The Board of Directors may suspend the calculation of the Net Asset Value, as well as the issue, redemption and conversion of any Class of Shares for each of the Company's Sub-Funds:

a) during any period in which one of the main stock exchanges on which a substantial proportion of the Company's investments attributable to a given Sub-Fund is listed is closed for any reason other than for a normal holiday or during which transactions on that market are restricted or suspended;

b) when a situation exists that constitutes an emergency resulting in the Company's inability to dispose of the assets attributed to a given Sub-Fund in a normal way or to value them properly;

c) when the means of communication normally used for determining the price or the value of investments attributable to a given Sub-Fund are not functioning;

d) during any period when the Company is incapable of transferring funds attributable to a Sub-Fund in order to make payments following the redemption of Shares or when a transfer of funds involved in selling or purchasing investments cannot be made at normal exchange rates;

e) when a state of affairs exists that, in the opinion of the Company, constitutes a state of necessity whereby the sale or ability to dispose of the assets allocated to a given Sub-Fund of the Company is not within reason feasible or tenable or will probably be seriously prejudicial to the Shareholders.

Notice of such a suspension and its conclusion shall be published in one or more newspapers chosen by the Board of Directors. This notice shall also be communicated to the Luxembourg authorities and to any Shareholder or person requesting the subscription, redemption or conversion of Shares. During the period of suspension or postponement, Shareholders may withdraw their unprocessed redemption or conversion requests by means of written notification sent and received before the end of said period. If no written notification has been received, the Company shall process the redemption or conversion request on the first Valuation Day after the period of suspension and postponement. The above suspension relative to any Share Class of any Sub-Fund shall not have any impact on the calculation of the Net Asset Value per Share or on the issue, redemption or conversion of Shares of any other Sub-Fund of the Company.

17. TAXATION

17.1. Foreign Account Tax Compliance Act (FATCA)

As of 1 July 2014, the Company, as a Luxembourg “Reporting Financial Institution”, shall be governed by the Agreement between the government of the Grand Duchy of Luxembourg and the government of the United States of America in order to improve compliance with international tax obligations and implement the FATCA signed on 28 March 2014.

17.2. Taxation of the Company

The Company is currently not subject to any income tax in Luxembourg. Dividends distributed by the Company are not subject to any Luxembourg withholding tax. The Company is only subject to a standard annual tax in Luxembourg of 0.05% (a reduced rate of 0.01% may be applied if regulatory requirements are met), payable quarterly on the basis of the net assets calculated at the end of the quarter to which the tax relates.

No fees or taxes are payable in Luxembourg on the issue of Shares of the Company. Capital gains realised on the assets of the Company are currently not subject to tax in Luxembourg.

The Company is likely to be exempt from any tax on capital gains due to its cross-border investments. Income received by the Company in the form (dividends and/or interest payments) may be subject to withholding taxes which are not recoverable. Furthermore, the Company may be subject to indirect withholding taxes on its transactions (duties, stock exchange taxes) and on the services for which it is charged (sales tax, value added tax).

17.3. Taxation of Shareholders

It is the responsibility of each Shareholder to ascertain the tax treatment applicable in his case resulting from the Applicable Law of his country, nationality or residence.

Shareholders are currently not required, in the Grand Duchy of Luxembourg, to pay any tax on income, on capital gains, on *inter vivos* gifts, on inheritances, or any other tax, except, however, (a) those Shareholders with their domicile or residence or permanent establishment in Luxembourg, (b) certain non-residents of Luxembourg holding 10% or more of the equity capital of the Company and who sell all or part of their Shares within 6 months of their acquisition and (c) in a few restricted cases, certain categories of ex-residents of Luxembourg if they own 10% or more of the equity capital of the Company. Nevertheless, Shareholders are reminded that they may be subject to withholding tax(es) under certain conditions.

EU Savings Directive

The law passed by the parliament on 21 June 2005 (the "Savings Law") implemented into Luxembourg law the, Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (referred to as the “Savings Directive” or “EUSD”). On 10 November 2015, the Council of the European Union decided to repeal the Savings Directive with effect as at 1 January 2016. Since that date, Common Reporting Standard (“CRS”) applies in most of EU countries, including Luxembourg. Therefore, since 1 January 2016, Luxembourg does not apply anymore EUSD regime but CRS regime. Shareholders and potential investors are informed that only Austria obtained a derogation to apply EUSD for a transitional period (see Article 2.2 of the Council Directive 2014/107/EU of 9 December 2014). During this transitional period, Austria would continue to apply EUSD until 31 December 2018. In addition, since 1 January 2017, the "Savings" Agreement concluded between EU and Switzerland (which was part of the second CRS wave) has been changed into an "Automatic exchange of information" Agreement".

Additional information on the CRS regime is available in the related sub-section below.

Common Reporting Standard (CRS)

The OECD received a mandate by the G8/G20 countries to develop a global reporting standard to achieve a comprehensive and multilateral automatic exchange of information (AEOI) in the future on a global basis.

The CRS has been incorporated in the amended Directive on Administrative Cooperation (the “DAC 2”), adopted on 9 December 2014, which the EU member states needed to incorporate into their national laws by 31 December 2015. Luxembourg implemented the CRS provisions in a law enacted on 18 March 2015 (the “CRS Law”) which amends the law of 29 March 2013 on administrative cooperation in the field of taxation.

The CRS requires Luxembourg financial institutions to identify their account holders (including in the case of an investment entity equity and debt holders) and establish if they are fiscally resident outside Luxembourg. In this respect, a Luxembourg financial institution is required to obtain a self-certification to establish the CRS status and/or tax residence of its account holders at account opening.

Luxembourg financial institutions needed to perform their first reporting of financial account information for the year 2016 about account holders and (in certain cases) their controlling persons that are tax resident in a reportable jurisdiction (identified in a Grand Ducal Decree) to the Luxembourg tax authorities (*Administration des contributions directes*) by 30 June 2017. The Luxembourg tax authorities will automatically exchange this information with the competent foreign tax authorities by the end of September 2017.

With regard to data protection, the CRS Law requires EU financial institutions to inform beforehand each reportable individual investor that certain information will be collected and reported and should provide him with all the information required under Luxembourg law implementing the Directive 95/46/CE on data protection.

18. GENERAL MEETINGS OF SHAREHOLDERS

The ordinary general meeting of Shareholders of the Company takes place at the Company's registered office in Luxembourg on the third Monday of April at 3.00 p.m. (CET/CEST); if this date is not a business day in Luxembourg, on the next business day. Other general meetings of Shareholders may be held at the time and place specified in any notices sent and/or published, as applicable, in accordance with Luxembourg Applicable Law. Any notice will be published in accordance with Luxembourg Applicable Law.

Should the decisions to be taken concern only the rights of the Shareholders of a specific Sub-Fund, these shall be taken by a meeting representing the Shareholders of the Sub-Fund concerned, in accordance with the Articles of Association.

19. MANAGEMENT REPORT/ANNUAL AND SEMI-ANNUAL ACCOUNTS

The report to Shareholders, consolidated in EUR and verified by the approved Independent Auditor with regard to the previous financial year, is available at the Company's registered office fifteen (15) days before the ordinary general meeting. In addition, semi-annual reports are also made available at the Company's registered office. The Company's financial year ends on 31 December. All of the Company's Sub-Funds have the Euro as their reference currency.

20. FEES AND EXPENSES

20.1. Fees and other expenses

Management fees is an annual fee, payable to the Management Company as remuneration for the Investment Mangement performed by the Management Company and its delegees. It is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund and increased by the Sub-Fund's Performance fees, if applicable.

Service fee is a fixed annual service fee, payable to the Management Company as remuneration for the functions and services provided or procured by the Management Company for the administration of the Company. Out of this fee, the Management Company bears the costs and expenses occurred in the administration and day-to-day operations of the Company (to the extent described and as further detailed below) and remunerates the service providers (such as the fund custodian, fund administrator, transfer agent, registrar, domiciliation agent, the paying agent(s) and the Auditor) for the services to the Company. The fee is payable monthly, calculated and accrued each valuation day on the basis of the net assets of the Sub-Fund.

Service Fee is defined as an annual flat rate, i.e. a fixed percentage of the Sub-Fund's net assets and, as such, the amount of Service Fee payable by the Sub-Fund for the financial year may differ from the actual services fees and operating costs of the Sub-Fund incurred during that year. The Management Company may retain the entire fee charged if the Service Fee amounts to an amount higher than the actual fees and costs incurred. Conversely, if the actual costs exceed the maximum flat rate displayed, the Management Company covers the excess.

The Service Fee includes, but is not limited to the following fees, costs and charges:

(1) Costs related to Management Company duties, e.g. for the central administration and risk management, supervision of delegated activities performed by the service providers.
(2) Fund Custodian fees (for custody and supervision of assets; including Sub-Custodian fees; except for transaction related fees)
(3) Fund administrator, Transfer agent, Registrar and Domiciliation agent fees (for e.g. bookkeeping, NAV calculation, shareholder registrar)
(4) Paying agent fees and any representative agent fees in jurisdictions where the Sub-Fund is being marketed
(5) Audit fees
(6) Legal fees
(7) Taxe d'abonnement
(8) Costs related to hedging for hedged share classes

(9) Costs related to the creation of new Sub-Funds and liquidation of existing sub-Funds, creation of new Share Classes and liquidation of Share Classes.
(10) Costs of preparing certifications, transaction confirmations for the Shareholders.
(11) Costs of preparing, issuing, publishing, translating in the necessary languages and distributing the offering documents and annual and semi-annual reports of the Company
(12) Costs of preparing, issuing, publishing, translating in the necessary languages and distributing public notices and other information to the Shareholders
(13) Costs of preparing and filing with the authorities the Articles of Association of the Company and any amendments thereto
(14) Costs of registering or otherwise qualifying the Shares of the Sub-Fund for marketing or subscription in any jurisdiction or listing on any exchange (incl. local taxes and regulatory charges)
(15) Directors' fees
(16) Distribution and sales support fees (incl. e.g. fees paid to the data providers, platforms)
(17) Index provider fees
(18) Costs for ESG labels and certifications
(19) Similar costs, charges and expenses

The Service Fee excludes, but is not limited to, following fees, costs and charges:

(1) Management fees and Performance fees
(2) Brokerage fees and any other transaction costs related to purchase and sale of Sub-Fund's assets
(3) Taxes on the Company's assets and revenue (if any)
(4) Interest costs on cash accounts and other banking charges
(5) Charges related to Research Payment Account ("RPA") as described in this Section 20.1.
(6) Extraordinary costs, including but not limited to those which may have incurred by the Management Company in form of legal fees related to litigation, class action or otherwise in relation to successful defense, recovery or reclaim of Company's financial interests such as those related to reclaim of any withholding tax, or other legal rights or revenue legally due to the Sub-Fund(s). Such extraordinary costs may be charged to the Sub-Fund only in case where the outcome of these procedures is favorable for the Sub-Fund and only once the proceeds of such outcome have been duly paid to the Sub-Fund or a specific handling account as described in this Section 20.1.

In the event that a Company liability cannot be attributed to a specific Sub-Fund, this liability shall be attributed to all the Sub-Funds pro-rata to the net values of the different Sub-Funds. All liabilities, regardless of the Sub-Fund to which they are attributable, bind the Company as a whole, unless otherwise agreed with the creditors.

Extraordinary costs, including but not limited to those which may have incurred for the Management Company in form of legal fees related to litigation, class action or otherwise in relation to successful defense, recovery or reclaim of Company's financial interests such as those related to reclaim of any withholding tax, or other legal rights or revenue legally due to the Sub-Fund(s) may be charged to the Sub-Fund. Such extraordinary costs may be charged to the Sub-Fund only in case where the outcome of these procedures is favorable for the Sub-Fund and only once the proceeds of such outcome have been duly paid to the Sub-Fund(s) or a specific handling account.

The Management Company and/or Investment Manager, as applicable, shall operate a research payment account ("RPA") for the discharge of research expenses. The Management Company and/or Investment Manager, as applicable, shall only acquire research that is necessary to make an informed investment decision in the best interest of the Sub-Funds. Prior to acquiring such research, the portfolio managers and/or analysts will assess its relevance, provide a rationale for requesting the research with supporting evidence, and assess the value for money of the services. The request is reviewed by the local compliance officer. The Management Company will agree an annual budget for these expenses with the Board of Directors of the Company. The allocation of the budget will aim to distribute the cost of the research fairly to the various Sub-Funds. The budget will be set on a desk level. Generally, the investment decisions relating to Sub-Funds with similar mandates and investment objectives are informed by the same research. Therefore, in their best interest, Sub-Funds sharing a similar strategy and benefitting from the same research will share the budget. The Management Company shall only collect monies from the Sub-Funds when the charges to be paid to the third-party service providers are due and payable. The Management Company and/or Investment Manager, as applicable, shall collect the research charges into an RPA, as cleared funds, no later than 30 days after deduction from the Sub-Fund's account. The financial research payment will be borne by the Sub-Fund. Investors and potential investors may obtain information on the budgeted amount for research and the amount of the estimated research charge for each Sub-Fund. In order to obtain

such information, please refer to the Research Payment Account Disclosure Form on the following website www.carmignac.com.

20.2. Expenses resulting from efficient portfolio management techniques (Securities Financing Transactions)

In securities lending transactions, the Company uses one or more agent(s) (the "**Securities Lending Agent(s)**") who is acting on behalf of the Company. The Company pays Securities Lending Agent(s) fees and expenses calculated on the basis of income received by the Company, as negotiated by the Securities Lending Agent(s) on behalf of the Company in securities lending transactions. The identity of the Securities Lending Agent(s) is indicated in section 3.2 of this prospectus and in the Company's annual report. All income generated through securities lending transactions are paid to the Company once the aforementioned fees and expenses have been deducted.

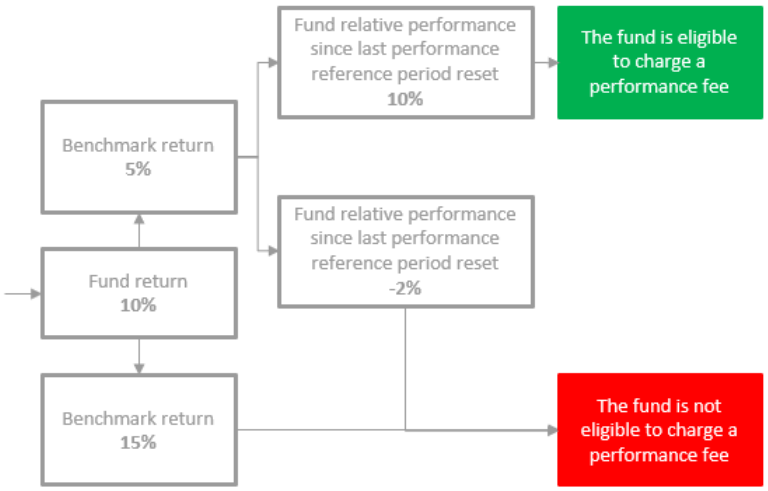
20.3. Performance fee calculation method for certain Sub-funds

As from 1.1.2022, the performance fee calculation methods have been established in accordance with the ESMA Guidelines dated 3 April 2020 ("Final report - ESMA Guidelines on performance fees in UCITS and certain types of AIFs"; 3 April 2020/ EMAA 34-39-968), as may be amended and superseded. (These same guidelines apply to the Sub-funds "Carmignac Portfolio Human Xperience" and "Carmignac Portfolio China New Economy" as well as the X shares of the Sub-fund "Carmignac Portfolio Grande Europe" already as from 31.3.2021).

1. Performance fees calculated based on a relative performance

The performance fee calculation method with concrete examples, the performance reference period and the claw back mechanism applicable for those Sub-funds whereby performance fees are calculated in reference to a reference indicator (currently all Sub-Funds with Performance fees except for the Sub-Funds "Carmignac Portfolio Long-Short European Equities", "Carmignac Portfolio Merger Arbitrage Plus" and "Carmignac Portfolio Absolute Return Europe") are illustrated below:

A. Performance fee calculation logic

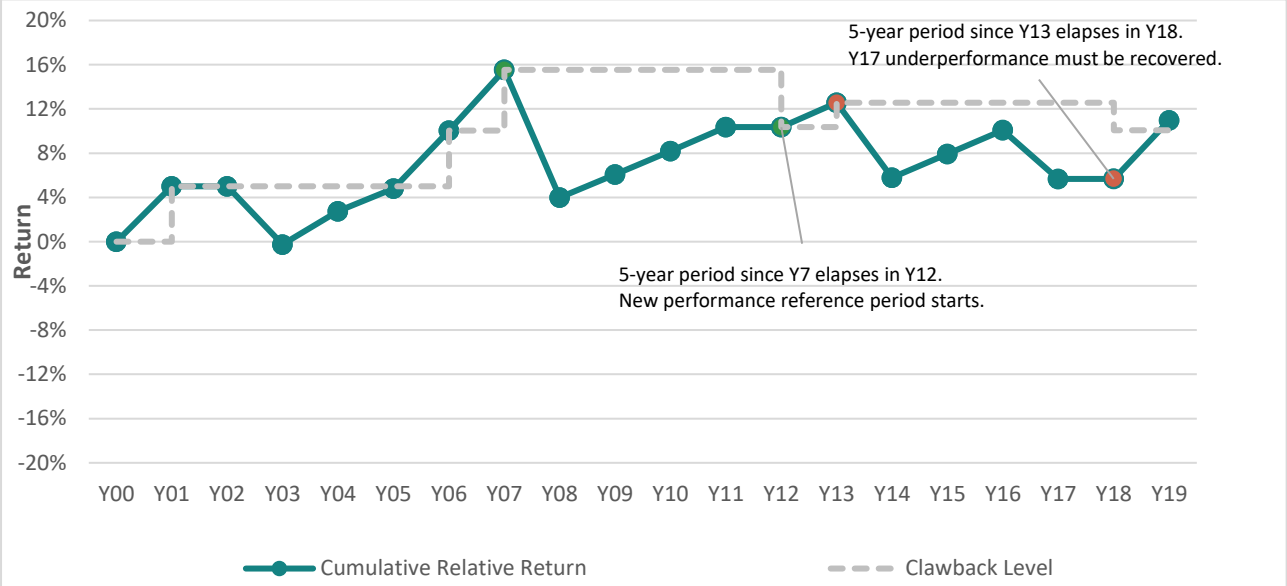


Gross performance	11.80%
- Costs (management and administrative fees)	1.80%
= Fund return	**10.00%**
- Benchmark return	5.00%
= Excess return	**5.00%**
- Performance fee (at 20% of outperformance)	1.00%
= Return for investors	**9.00%**

Gross performance	11.80%
- Costs (management and administrative fees)	1.80%
= Fund return	**10.00%**
- Benchmark return	15.00%
= Excess return	**-5.00%**
- Performance fee (at 20% of outperformance)	0.00%
= Return for investors	**10.00%**

B. Performance reference period and compensation of underperformance

Any underperformance of the sub-funds which employs a performance fee model based on a reference indicator should be clawed back before any performance fee becomes payable. The length of the performance reference period is maximum 5 years. Any underperformance is brought forward for a minimum period of 5 years before a performance fee becomes payable, i.e. it will be looked back at the past 5 years for the purpose of compensating underperformances. In case the sub-fund has overperformed the reference indicator, the sub-fund will crystallize performance fees. The following example illustrates the principles above (please note that the two tables below relate to the same example, the first one illustrated through a graphical representation, while the second one displayed in numerical terms):



Year	Fund performance	Benchmark performance	Net performance	Underperformance to be compensated in the following year	Payment of performance fee
Y1	-1%	-6%	5%	-	YES[1]
Y2	0%	0%	0%	-	NO
Y3	-5%	0%	-5%	-5%	NO
Y4	3%	0%	3%	-2%	NO
Y5	2%	0%	2%	-	NO
Y6	5%	0%	5%	-	YES
Y7	5%	0%	5%	-	YES
Y8	-10%	0%	-10%	-10%	NO
Y9	2%	0%	2%	-8%	NO
Y10	4%	2%	2%	-6%	NO
Y11	6%	4%	2%	-4%[2]	NO
Y12	2%	2%	0%	-	NO
Y13	2%	0%	2%	-	YES
Y14	2%	8%	-6%	-6%	NO
Y15	2%	0%	2%	-4%	NO
Y16	2%	0%	2%	-2%	NO
Y17	2%	6%	-4%	-6%	NO
Y18	2%	2%	0%	-4%[3]	NO
Y19	7%	2%	5%	0%	YES

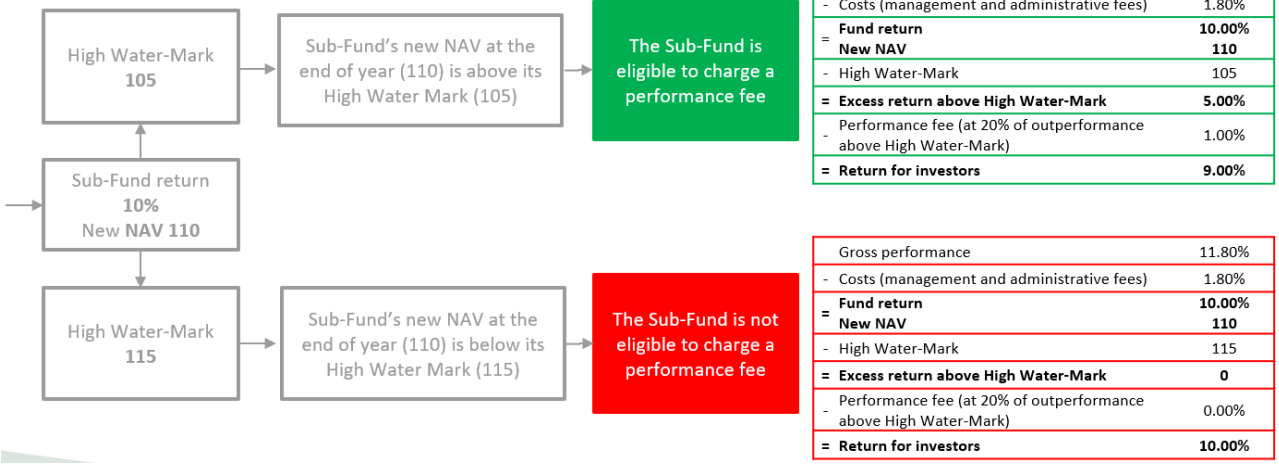
[1] The example of year 1 demonstrates that performance fee is payable also when the sub-fund's absolute performance is negative.

[2] The example of year 12 demonstrates that the underperformance of year 12 to be taken forward to the following year 13 is 0% (and not -4%) in light of the fact that the residual underperformance coming from year 8 that was not yet compensated (-4%) is no longer relevant as the 5-year claw-back period has elapsed (the underperformance of year 8 is compensated until year 12; but not after that).
[3] The example of year 18 demonstrates that that the underperformance of year 18 to be taken forward to the following year 19 is -4% (and not -6%) in light of the fact that the residual underperformance coming from year 14 that was not yet compensated (-2%) is no longer relevant as the 5-year claw back period has elapsed (the underperformance of year 14 is compensated until year 18; but not after that).

2. Performance fees calculated with a High Watermark

The performance fee calculation method for those Sub-funds whereby performance fees are calculated in reference to a High Watermark (currently for the Sub-Funds "Carmignac Portfolio Long-Short European Equities", "Carmignac Portfolio Merger Arbitrage Plus" and "Carmignac Portfolio Absolute Return Europe") is illustrated below:

A. Performance fee calculation logic

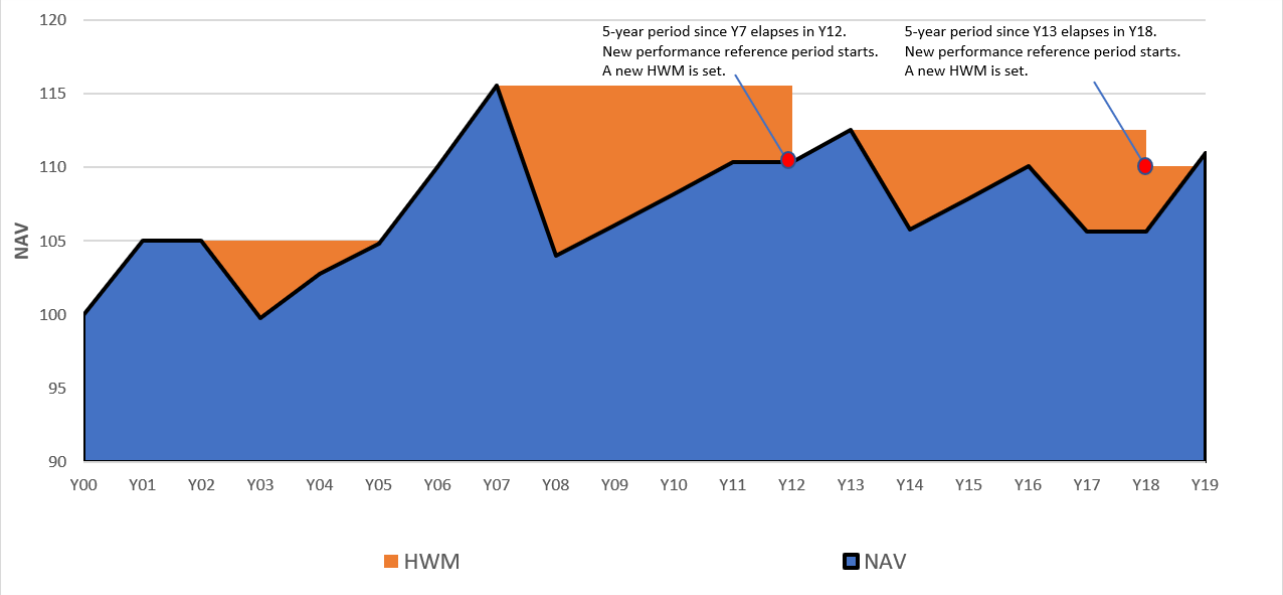


Gross performance	11.80%
- Costs (management and administrative fees)	1.80%
= **Fund return** **New NAV**	**10.00%** **110**
- High Water-Mark	105
= Excess return above High Water-Mark	**5.00%**
- Performance fee (at 20% of outperformance above High Water-Mark)	1.00%
= Return for investors	**9.00%**

Gross performance	11.80%
- Costs (management and administrative fees)	1.80%
= **Fund return** **New NAV**	**10.00%** **110**
- High Water-Mark	115
= Excess return above High Water-Mark	**0**
- Performance fee (at 20% of outperformance above High Water-Mark)	0.00%
= Return for investors	**10.00%**

B. Performance reference period and value of shares exceeding High-Water Mark

The performance fee is based on High-Water Mark (HWM) model whereby the performance fee will be charged only if the value of shares at the end of the performance period exceeds the highest value of shares at the end of any five (5) preceding performance periods ("High-Water Mark"). The first year of application of the new performance fee model is year 2022 without retroactive effect. Consequently, the value of shares as of 1.1.2022 constitutes the first High-Water Mark. The following example illustrates the principles of HWM (please note that the two tables below relate to the same example, the first one illustrated through a graphical representation, while the second one displayed in numerical terms):



Year	Net performance[1]	NAV	High Watermark	Payment of performance fee
Y1	5%	105	100	YES
Y2	0%	105	105	NO
Y3	-5%	100	105	NO
Y4	3%	103	105	NO
Y5	2%	105	105	NO
Y6	5%	110	105	YES
Y7	5%	115	110	YES
Y8	-10%	105	115	NO
Y9	2%	107	115	NO
Y10	2%	109	115	NO
Y11	2%	111	115	NO
Y12	0%	111	115	NO
Y13	2%	113	111[2]	YES
Y14	-6%	107	113	NO
Y15	2%	109	113	NO
Y16	2%	111	113	NO
Y17	-4%[2]	107	113	NO
Y18	0%	107	113	NO
Y19	5%	112	111	YES

1 For the purposes of this presentation, the "Net performance" is rounded to the closest full percentage. The exact net performance can be calculated as a percentage of NAV change. For example, where the NAV is reduced from 105 to 100, the exact net performance corresponds to the change of NAV (105 => 100), approximately -4.7619%.

[2] High-Watermark is defined as the highest value of shares at the end of any five (5) preceding performance periods. Prior High-Watermark of 115 elapses after 5 years in year 13. New High-Watermark for the year 13 is 111.

20.4. Retrocessions

The management company may, at its discretion and in adherence to laws and regulations, pay retrocessions (inducements or rebates) to external companies (or entities of the group to which they belong), which subscribe in the

Sub-Funds in their capacity as investors, discretionary managers or financial advisers of investors or act as distribution intermediaries of the Company. These retrocessions are generally calculated as a percentage of Management fees and/or Service Fee.

The management company has implemented a system to ensure compliance with the principle of fair treatment of investors. In principle, no preferential treatment is granted except in the case of preferential financial treatment granted in the form of a negotiated retrocession or rebate to certain investors, granted for objective reasons such as a significant subscription commitment or a long-term investment commitment from institutional investors.

It may happen that these retrocessions are paid to investors having a legal or economic link with the management company. It is recalled that the retrocessions paid to intermediaries for the marketing of the Sub-Funds are not considered as preferential treatment.

21. LIQUIDATION - DISSOLUTION OF THE COMPANY OR SUB-FUND(S) AND/OR CLASS(ES)

21.1. Liquidation – Dissolution of the Company

If the Company's Share capital falls below:

- two thirds of the minimum capital, the Board of Directors must table a motion to dissolve the Company at the general meeting, which shall deliberate without quorum requirements and shall reach decisions on the basis of a majority of votes cast at the meeting;
- one quarter of the minimum capital, the Board of Directors must table a motion to dissolve the Company at the general meeting, which shall deliberate without quorum requirements and shall reach decisions on the basis of a one-quarter majority of the votes cast at the meeting.

Any such a meeting must be convened so that it is held within a period of forty (40) days of the date on which it is observed that the net assets have fallen below the above thresholds, as the case may be.

The Company may also be dissolved under the conditions provided for by the Law of 2010 and the Law of 1915 and following a decision by Shareholders meeting under the relevant legal conditions. The Shareholders' decisions confirming the dissolution and liquidation of the Company will be published in the *Recueil Electronique des Sociétés et Associations*. The liquidator(s) shall be responsible for arranging such publication.

If the Company is dissolved, the liquidation proceedings shall be conducted by one or more liquidators appointed in accordance with the Articles of Association and the Law of 2010. The net proceeds of the liquidation will be distributed to the Shareholders in proportion to the number of Shares that they hold. Any amounts unclaimed by Shareholders on completion of the liquidation shall be deposited with the *Caisse de Consignation* in Luxembourg.

Amounts deposited that remain unclaimed at the end of the statutory limitation period (30 years) shall be forfeited.

Lastly, the Company may be merged into another UCITS where, as a result, the Company ceases to exist, the merger will be decided by a meeting of Shareholders. No quorum is required, and the matter will be considered approved if it receives the simple majority of the votes that are cast at the meeting.

21.2. Liquidation – Dissolution of Sub-Funds and/or Classes

If, for whatever reason, (i) the Net Asset Value of a Sub-Fund falls below two million five hundred thousand Euro (EUR 2,500,000) or if the Net Asset Value of a Class of Shares in such a Sub-Fund falls to a level deemed by the Board of Directors to be a minimum threshold below which the Sub-Fund or Share Class could no longer be run in a financially sound manner, or (ii) if substantial changes in the political or economic situation so justify, the Board of Directors may decide to proceed with the compulsory redemption of all Shares in a Sub-Fund or given Share Class, paying the Net Asset

Value per Share applicable on the Valuation Day on which the decision takes effect (taking into account the real cost of investment, closing costs and formation costs that have not been fully amortised).

The Company will send a notice to Shareholders of the Sub-Fund or Share Class concerned before the compulsory redemption takes effect. Holders of registered Shares will be informed in writing. Unless the Board of Directors decides otherwise, holders of Shares in the Sub-Fund or Share Class concerned may no longer ask to redeem or convert their Shares pending the execution of the decision to liquidate the Sub-Fund or Share Class.

If the Board of Directors authorises the redemption or conversion of Shares, these redemptions and conversions will be made under the terms set by the Board of Directors in the prospectus, at no expense (albeit taking into account the real cost of investment, closing costs and formation costs that have not been fully amortised) until the date on which the compulsory redemption takes effect.

22. MERGER – SPLIT OF COMPANY SUB-FUNDS AND/OR SHARE CLASSES

22.1. Merger of Sub-Funds and/or Classes

The Board of Directors may decide to merge one or more of the Company's Sub-Funds, including the related Share Classes, with one or more of the Company's Sub-Funds or with another company's sub-fund, another Luxembourg or foreign UCITS (or a sub-fund thereof), in accordance with the procedure set forth in the Law of 2010.

Notwithstanding the foregoing, the general meeting of the Company's Shareholders may also decide, by decision adopted by simple majority of the votes cast without specific quorum requirements, to merge one or more of the Company's Sub-Funds with one or more of the Company's Sub-Funds or with another Luxembourg or foreign UCITS (or a sub-fund thereof), in accordance with the procedures set forth in the Law of 2010.

In all instances of merger mentioned above, holders of Shares concerned will be notified at least one month prior to the effective date of the merger (except in the case of a Shareholder meeting). In addition, the provisions on mergers of UCITS in the Law of 2010 and any implementing regulation will apply to mergers of Sub-Funds or of the Company.

22.2. Split of Sub-Funds and/or Classes

The Board of Directors may decide to reorganise a Sub-Fund or Class by splitting it in two or more Sub-Funds or Classes, as the case may be, in accordance with the Law of 2010.

Notwithstanding the above, the Board of Directors may also decide to put a decision to split a Sub-Fund or Share Class to a general meeting of the Shareholders of the Sub-Fund or Share Class concerned. Such a decision will be reached on a simple majority of votes cast, without any particular quorum requirement.

In all instances of split mentioned above, holders of Shares concerned will be notified at least one month prior to the effective date of the split (except in the case of a Shareholder meeting). In addition, the provisions on mergers of UCITS in the Law of 2010 and any implementing regulation will apply to such splits.

23. PROTECTION OF PERSONAL DATA AND TELEPHONE RECORDINGS

The Company, the Management Company and any third-party service providers, such as the Transfer Agent, may, as data controllers or data processors, as appropriate, at any time, collect, store and process information relating to existing or potential Shareholders, including personal data, in order to develop and maintain the business relationship between existing or potential Shareholders and the Company and for other related reasons while complying with respective legal obligations. Personal data shall have the meaning given in the GDPR and includes (non-exclusively) any information relating to an identified or identifiable individual, such as the investor's name, address, invested amount, the investor's individual representatives ' names as well as the name of the ultimate beneficial owner, where applicable, and such investor's bank account details.

In particular the personal data supplied by such investors is processed for the purpose of (i) maintaining the register of Shareholders, (ii) processing subscriptions, redemptions and conversions of Shares and payments of dividends to Shareholders, (iii) performing controls on late trading and market timing practices, (iv) complying with applicable anti-money laundering rules, (v) complying with laws and regulations such as but not limited to FATCA, the Common Reporting Standard (CRS) or similar laws and regulations (e.g. at the OECD or EU level).

In compliance with the GDPR, Investors have certain rights including the right to access their personal data, the right to have incomplete or inaccurate personal data corrected, the right to object to and to restrict the use of the personal data, the right to require the deletion of their personal data, the right to receive their personal data in a structured, commonly used and machine-readable formatted and to transmit those data to another controller. Data Subjects may address any request to the registered office of the Company, to the Management Company.

If, according to the Company and the Transfer Agent, an existing or potential Shareholder does not provide information, including personal data, in a satisfactory manner, the Company and the Transfer Agent may restrict or prevent that Shareholder's ownership of Shares; furthermore, the Company, the Transfer Agent and/or the distributors (where applicable) shall not be held liable for any loss resulting from the restriction or prevention of the ownership of Shares.

When subscribing to the Shares, each Investor will be informed of the processing of his/her personal data (or, when the investor is a legal person, of the processing of such investor's individual representatives and/or ultimate beneficial owners' personal data) via a data protection notice which will be made available in the application form issued by the Company to the Investors.

By completing and returning a subscription form, Shareholders agree to the use of their personal data by the Company and/or the Transfer Agent. The Company and/or the Transfer Agent may disclose personal data to their representatives or service providers or when required to do so by Applicable Law or by a supervisory authority. Upon written request, Shareholders are entitled to access, update and ask for deletion of their personal data held by the Company and/or the Transfer Agent. Shareholders may send a written request to the Company and/or the Transfer Agent requesting the rectification or deletion of their personal information Shareholders are informed that they have a right of opposition regarding the use of their personal information for marketing purposes. All personal data shall only be kept by the Company and/or Transfer Agent as long as necessary and if applicable, for the duration required by law.

The Company and/or the Transfer Agent may need to transfer personal data to entities outside the European Union whose legislation regarding the protection of personal data may not be sufficiently strict. The Company and the Transfer Agent comply with the legal provisions applicable with regard to data protection and professional secrecy as laid down in the Luxembourg law of 5 April 1993 on the financial sector, as amended and supplemented. Distributors may use personal information in order to regularly inform Shareholders of other products and services which they feel might be of interest to them, unless Shareholders have specified in writing or via the subscription form that they do not wish to receive such information.

Shareholders accept that telephone conversations with the Company, the Depositary and the Transfer Agent are recorded; recordings shall be carried out in compliance with the legislation in force. Recordings may be used in court or in the context of other judicial proceedings and shall have the same probative value as a written document.

24. GENERAL INFORMATION AND DOCUMENTS AVAILABLE

The value of the net assets per Share of each Share Class within a Sub-Fund, their issue, redemption and conversion prices, as well as any possible dividends distributed may be obtained from the Company's registered office, any of the Company's representatives, as well as financial services agents on any business day of the Company.

The above information may be published in a selection of newspapers chosen by the Board of Directors.

The amendments to the Articles of Association will be published in *Recueil Electronique des Sociétés et Associations*. Notices will be sent to Shareholders and/or, as is appropriate, published in accordance with Luxembourg Applicable Law.

The following documents may be consulted at the registered office of the Company:

- the prospectus;
- the Articles of Association;

- the Agreement on the Provision of Services concluded with Fortis Bank Luxembourg S.A., as taken over by BNP Paribas, Luxembourg branch;
- the portfolio collective management agreement between the Company and Carmignac Gestion Luxembourg S.A.;
- the central administration agreement between the Company and CACEIS Bank, Luxembourg Branch;
- the Company's annual and semi-annual reports;
- the investment management agreement between Carmignac Gestion Luxembourg S.A. and Carmignac Gestion S.A;
- the written plans setting out the actions that it will take in the event that a benchmark materially changes or ceases to be provided.

The prospectus and the financial reports may be obtained, free of charge and upon request, at the registered office of the Company and from any of its representatives or financial services agents.

25. INFORMATION FOR INVESTORS ON THE RISKS ASSOCIATED WITH CERTAIN SPECIFIC INVESTMENTS

25.1. INVESTMENTS IN THE PEOPLE'S REPUBLIC OF CHINA

Shareholders and potential investors who are considering investing in one of the Sub-Funds of the Company concerned by the "Specific risks associated with investments in China" should read this chapter carefully before considering any investment.

Sub-Funds which are subject to specific risk associated with investments in China, as described in the specific Sub-Fund factsheet(s) in the part A "The Sub-Funds of Carmignac Portfolio" of this prospectus, may invest up to 10% of their net assets in Chinese domestic securities, except when otherwise specified.

25.1.1. Specific risks associated with investments in China

Political and social risk: investments in this geographic region are subject to restrictive local regulations that might be modified unilaterally. This risk may result from local government action (failure to comply with contractual obligations, expropriation decision, change in macroeconomic policy, modification of allocated quotas), or from other geopolitical factors (social instability, terrorism, *coups d'état*, etc.). Investors should note that any change in Chinese policies may impact on the markets and consequently on the performance of the Sub-Fund(s).

Economic risk: the Chinese government plays a dominating role in the economy, growth rate and foreign exchange controls (see paragraph on this risk). The legal and regulatory framework for the financial markets and companies in China is less developed than that of European standards.

Legal and regulatory risk that may result in listing suspensions or withdrawals: China's legal system relies on recent Applicable Laws whose applicability and scope still remain poorly defined, particularly as regards exchange rates, taxation or market access. These regulations also permit the Chinese authorities to exercise their discretionary powers in the interpretation of the regulations, increasing uncertainty as regards their application. They can thus restrict investors' access to the market at any time, as well as that of Chinese companies. Investors must understand the risks associated with the political power exercised by the authorities and the impact that this may have on the NAV of the relevant Sub-Fund.

The local market is particularly volatile and unstable, with a major risk of suspension of the listing of the index or of one of the securities making up the index, for example following intervention by the Chinese government or the authorities regulating market access. This type of event is liable to cause disruptions in subscriptions and redemptions of securities in the Sub-Fund(s) and, if they persist, in the NAV itself. Investors must be informed that procedures are put in place to ensure day-to-day liquidity and an internal valuation of the securities held by the Sub-Fund(s), and that the Board of Directors may, at any time, if deemed necessary in the interests of investors, revalue the securities held by the Sub-Fund, particularly when a listing is no longer possible or an event has occurred that prevents the exact value of one or more securities from being determined. The Board of Directors shall then decide whether the securities must be: (i) revalued and kept in the portfolio until a new valuation is possible; or (ii) if the conditions warrant, sold at their market or estimated value. The securities may be revalued or sold at an unfavourable price for investors that may result in a loss and impact

on the NAV. If the Board of Directors decides that the transaction must be unwound, the losses and/or gains generated may impact on the NAV.

Although the Sub-Funds are structured so as to maintain day-to-day liquidity, investors should be aware that if illiquid securities are held in the portfolio or their value is difficult to determine, to cope with significant redemption requests the Sub-Fund may be obliged to liquidate securities or unwind transactions at an unfavourable price, which may result in a loss and impact on its NAV.

China Interbank Bond Market (CIBM): the Chinese bond market comprises the interbank bond market and the regulated bond market. The interbank bond market is an OTC market established in 1997. At present, more than 90% of CNY bond transactions take place on the interbank bond market, with the bulk of the volume being made up of government bonds and the bonds of State institutions issued by the central bank, Chinese banks and, to a lesser extent, corporate bonds.

The CIBM is expanding and its market capitalisation is increasing; however, the trading volume is less than that of other developed countries. Market volatility and the potential lack of liquidity owing to the low volume of transactions may result in larger price fluctuations than normal. The relevant Sub-Fund is therefore subject to greater liquidity and volatility risks on this market than on other bond markets. There is no guarantee that the bond markets for CNY-denominated bonds will always be liquid.

Risks associated with investment via P-Notes or equivalent: an investment in P-Notes gives entitlement to a cash payment calculated on the basis of an Underlying share to which the instrument is linked. It is not a direct investment in the securities. P-Notes do not give entitlement to rights inherent in Shares; they merely replicate the security's volatility and its economic aspects.

P-Notes are subject to the terms and conditions imposed by their issuers. This may result in delays in the implementation of the Investment Manager's investment strategy owing to restrictions on the acquisition or sale of Underlying equity securities. Investments in P-Notes may be illiquid as there is no active P-Notes market. To meet redemption requests, the Sub-Fund concerned must consult the counterparty that issued the P-Notes so that it can set a redemption price. This price, in addition to the market price, reflects the market's liquidity conditions and the size of the transaction.

By seeking exposure to certain listed equity securities via P-Notes, the Sub-Fund concerned bears the credit and default risk of the P-Note issuer as well as equity risk. In fact, there is a risk that the issuer will not be able to unwind the transaction owing to a credit or liquidity problem, thereby causing a loss for the Sub-Fund.

Due to the relatively high cost of investing in P-Notes, the investment may result in a dilution of the performance of the Sub-Fund concerned compared with a fund investing directly in similar assets.

25.1.2. Risks associated with the "RQFII" status

Renminbi Qualified Foreign Institutional Investor (RQFII) licence: the regulations governing the RQFII status and repatriation are recent. The Chinese regulatory authorities have wide discretionary prerogatives. There is no precedent that currently allows the powers allocated to the authorities for managing the licence to be determined. The RQFII licence currently allocated to Carmignac Gestion may be amended, partially revised or revoked. The RQFII licence was allocated to Carmignac Gestion on 19 September 2014 on behalf of UCITS managed by the group's management companies. Its status is subject to ongoing review by the Chinese authorities and may be revised, reduced or withdrawn at any time, which may affect the NAV of the Sub-Fund(s) benefiting from the RQFII licence and the related quota on exposure to the Chinese market.

Quota linked to the RQFII licence: according to the regulations applicable in China, foreign investors may only invest in Chinese securities via three schemes: QFII, RQFII and Through Train or equivalent. Carmignac Gestion has obtained its licence from the China Securities Regulatory Commission (CSRC) and submitted the request for allocation of an investment quota to the State Administration of Foreign Exchange (SAFE), for a total amount equivalent to USD 1 billion; once obtained, the quota will be Shared among different funds/Sub-Funds managed by management companies of the Carmignac Gestion Group. If the Investment Manager does not manage to use its RQFII quota effectively, SAFE could end up reducing or cancelling it. Investors should be aware that there is no assurance that a RQFII will continue to maintain its licence and make the quota obtained for the Sub-Fund(s) available. A reduction or cancellation of the quota allocated to the RQFII could result in a decision by the Board of Directors to reject subscription requests and, where appropriate, even in the decision to liquidate early, in accordance with the prospectus and legal provisions. Investors should be advised that if the quota is withdrawn or reduced, the Sub-Fund may be obliged to liquidate securities or unwind transactions at an unfavourable price for investors, which may result in a loss and impact on its NAV.

25.1.3. Risks associated with the RQFII licence and management of the quota

Sub-custody and local broker risks: local Chinese securities acquired by a Sub-Fund via the RQFII quota will be kept in electronic form by the local sub-depositary via a securities account and a treasury account. Carmignac Gestion also selects the Chinese brokers that will execute the transactions on behalf of the Sub-Funds on the local market. Several local brokers can be appointed under the RQFII regulations. If for any reason whatsoever a Sub-Fund's capacity to use a broker is affected, there may be a risk that the Sub-Fund's activities and its NAV will be affected. The relevant Sub-Fund may also incur losses owing to acts or omissions during the execution or settlement of any transaction or the transfer of all the funds or securities by one of its representatives.

Subject to the Applicable Laws applicable in China, the Depositary shall make arrangements to ensure that the local sub-depositary has appropriate procedures for proper custody of fund assets. In accordance with the RQFII regulations and market practices, transferable securities and treasury accounts in China must be maintained under "the RQFII's full name/Sub-Fund's name".

Foreign exchange risk and controls: the Chinese Renminbi (CNY) is not a freely convertible currency yet. Although the RQFII status enables daily repatriation of assets, conversion is subject to exchange controls imposed by the Chinese government. If a Sub-Fund invests in China, these controls could affect the repatriation of funds or assets, thereby limiting the funds' ability to meet redemption requests. Within the framework of a licence allocated to a RQFII, this risk is lower but investors must understand that the repatriation conditions may be modified unilaterally.

Onshore and offshore Renminbi, differences and associated risks: although both the onshore Renminbi (CNY) and the offshore Renminbi (CNH) are the same currency, they are traded on different and separate markets. CNY and CNH are traded at different rates and cannot move in the same direction. Although an increasing amount of Renminbi is held abroad (outside China), CNH cannot be freely handed over on the local market and is subject to certain restrictions, and vice versa.

Investors should note that a Sub-Fund's subscriptions and redemptions will be in EUR and/or in the reference currency of the Share Class concerned and will be converted into CNH so that they can be invested in local securities. Investors shall be charged the exchange fees related to this conversion and shall bear the risk of a potential difference between the CNY and CNH rates. The price, liquidity and trading of Shares of the Sub-Fund(s) concerned may also be affected by the exchange rate and the liquidity of the Renminbi on international markets.

Tax rate: following investment directly or indirectly in Chinese securities, the Sub-Fund(s) may be subject to a direct withholding tax, an indirect tax and/or other Chinese levies. Investors should be aware that changes or stipulations in Chinese tax legislation could affect the amount of income that can be yielded from investments. The laws governing taxation may continue to change and may contain contradictions and ambiguity.

Under current Chinese tax law, there are no clear rules or regulations governing the taxation of investments made by a RQFII. Taxes may be due by the Sub-Fund(s) having invested in China; the tax treatment is governed by the general tax provisions of the corporation tax law in China (Chinese Tax Law) applicable since 1 January 2008. In accordance with Chinese Tax Law, 10% withholding tax may be deducted from Chinese source income (including capital gains derived from securities traded within the framework of the quota allocated to a RQFII). However, in its current interpretation, Chinese Tax Law does not seem to apply to investment funds managed by a RQFII as they are not deemed to have a permanent establishment in China. Investors must understand that this discretionary interpretation may be modified at any time.

The position of the Chinese government concerning the taxation of funds managed by a RQFII, as well as capital gains and profits generated, other than dividends and interest, remains uncertain. The competent tax authorities may in future modify the tax situation and implement a tax on income or a withholding tax on capital gains realised under the RQFII licence on the trading of Chinese transferable securities. Such a change may or may not be applied retroactively.

As this tax is directly or indirectly attributable to the Sub-Fund(s), the Management Company may decide at any time, and depending on the information it obtains, to set aside certain amounts in anticipation of a possible tax payable by the Sub-Fund(s). The amount applied may be set aside over an indefinite period so long as the Management Company thinks that the tax risk incurred justifies this.

This provision is intended to cover the potential direct or indirect tax liabilities on realised and/or unrealised capital gains linked to direct or indirect investments made by a Sub-Fund in China.

If the Management Company thinks that the risk incurred is lower than expected, all or part of the provision may be returned to the Sub-Fund(s). No guarantee is given that the provision decided on will be enough to cover the taxes due. In this case, investors should be aware that the Sub-Fund(s) will have to make the necessary payment to fulfil its/their tax obligations, which may have an impact on its/their NAV. Where a fund is liquidated or ceases to exist before the tax

authorities have clarified their position, the provision may be retained or transferred to the Management Company on behalf of the Sub-Fund pending a stance adopted by the Chinese authorities.

25.1.4. Risk linked to investing through the Shanghai-Hong Kong Stock Connect Platform ("Stock Connect")

How it works: on the Hong Kong market, the Sub-Funds may invest in more than 500 stocks listed in Shanghai (also known as the A Market or the local market); this new system is called Stock Connect. Investing in Shares on the A Market via the Hong Kong market is done within the limit of two quotas: (i) an overall quota of RMB 300bn and (ii) a daily quota of RMB 13bn.

Settlement/delivery: securities are settled on T+0 and cash on T+1, both through a clearing house. A statement of cash provision for a purchase or provision of securities for a sale must be sent to the local financial intermediary on T-1. However, the cash and securities remain with the Depositary in the name of the Sub-Fund. The local depositary bank will notify the selected financial intermediaries of the securities and cash positions held by the funds each day. Each financial intermediary selected will then ensure that:

- For sale orders: the funds concerned own the necessary securities;
- For purchase orders: the funds concerned hold sufficient cash.

If they do not, the broker may refuse an order due to lack of provision. Settlement takes place on T+0, through the clearing house. This system aims to prevent sell out/buy in systems (short selling or purchase without provision) and makes trading secure. Only operations for which cash and securities are available are carried out. Cash is settled on T+1, through the clearing house.

Holding of securities: in normal operations, if the Sub-Fund is trading via Stock Connect, it uses the market access services of the local correspondent of the Company's Depositary. The Sub-Fund thus makes the purchase and financing of securities secure. When liquidating purchases, these are delivered to an account held with the depositary's local correspondent in the name of the Sub-Fund. Under Chinese regulations, the Sub-Fund is therefore the owner of the securities. The securities are held in an account for each Sub-Fund through Hong Kong Securities Clearing Company Limited (HKSCC), a subsidiary of Hong Kong Exchanges and Clearing Limited ("HKEx"), as nominee.

Specificity and particular risks: this system is relatively new, so its operating procedures could be changed unilaterally by the Hong Kong and Chinese authorities. For the time being, the authorities are not planning to impose any withholding tax on capital gains on sales of securities purchased via Stock Connect. However, investors should be aware that the number of securities available, trading hours, the global and daily quotas and the applicable taxes are just some aspects that could be changed unilaterally by the abovementioned authorities. With regard to tax, the item "Taxes" under point 25.1.3 also applies to investments made via the Stock Connect platform. The costs related to the use of this platform are comparable to the costs recorded for investments on other markets. They are paid by the Sub-Fund through "other costs" deducted by the Management Company. Securities purchased through this channel are in addition to the securities obtained by an investment through the RQFII to comply with the regulatory thresholds.

Investors are reminded that the use of Stock Connect inherently involves higher counterparty and securities delivery risks. Stock Connect is a relatively new system that is not fully developed. It therefore remains subject to operational adjustments or changes in legislation in China and Hong Kong, and its operation could be affected by regulatory or operational changes which could lead to difficulties in accessing securities or cash held with HKSCC. As the entities involved are government entities, the default risk relating to the use of this platform is low.

25.1.5. Risk linked to investing through the “CIBM Direct Access”

How it works: The CIBM Direct Access provides for eligible foreign institutional investors an opportunity to invest in the instruments traded on China Interbank Bond Market, directly and free of quota restriction. The CIBM Direct Access was announced by the People’s Bank of China ("PBoC") in February 2016. In order to access the CIBM Market, the investment manager must obtain prior approval from the PBoC as a market participant.

Holding of securities: The management company or the Sub-Fund manager has to make an application to obtain prior approval from the PBoC as a market participant and to register under CIBM Direct Access at PBoC. In this case the securities are registered in the name of “the management company – the name of the Sub-Fund” in accordance with the relevant rules and regulations, and maintained in electronic form via a securities account with the China Securities Depository and Clearing Corporation Limited (“CSDCC”) for the exchange-traded bond market and with China Central Depository & Clearing Co., Ltd (“CCDC”) or the Shanghai Clearing House (“SCH”) for the inter-bank bond market. The Management Company or the Sub-Fund manager also appoints a local trading and settlement agent to execute transactions for the Sub-Funds. Subject to the applicable laws and regulations, the Company’s Depository will make

arrangements to ensure that the local trading and settlement agent acts as the Company's Depository's local correspondent and that it has appropriate procedures to properly safekeep the Sub-Fund's assets.

Specificity and particular risks: The China Interbank Bond Market ("CIBM") is an OTC market with a dominant share of the whole Chinese interbank market and is regulated and supervised by the People's Bank of China ("PBoC"). Trading on the CIBM market may expose the Sub-Funds to higher liquidity and counterparty risk. In order to access the CIBM market, the asset manager must obtain prior approval from the PBoC as a market participant. The manager's approval may be refused or withdrawn at any time, at the discretion of the PBC, which may limit the Sub-Fund's investment opportunities in the instruments traded on the CIBM market. Investors' attention is drawn to the fact that clearing and settlement systems on the Chinese securities market may not as yet be extensively tested and are subject to increased risks due to errors in assessment and delays in settling transactions. For the direct CIBM Access the Company's Depositary shall appoint the local trading and settlement agent as its local correspondent, which shall maintain a Sub-Fund's assets in custody in accordance with the terms of a depositary agreement. In the event of any default of the trading and settlement agent acting as a local correspondent in the safe keeping of securities, the execution or settlement of any transaction or in the transfer of any funds or securities, a related Sub-Fund may encounter delays in recovering its assets which may in turn adversely impact the net asset value of a Sub-Fund.

25.2. INVESTMENTS IN CONTINGENT CONVERTIBLE BONDS

Shareholders and potential investors who are considering investing in one of the Sub-Funds of the Company concerned by the risks associated with the investment in contingent convertible bonds should read this chapter carefully before considering any investment.

Contingent Convertible Bonds ("**CoCo Bonds**") are complex, regulated instruments structured in various forms. They often offer better performance than conventional bonds, as a result of their specific structure and the place they occupy in the capital structure of the issuer (subordinated debt). They are issued by banks under the surveillance of a supervisory authority.

They combine the characteristics of both bonds (i.e. they are subordinated debt instruments and the payment of interest may be suspended in a discretionary manner or depending on an external target set in the issuance contract) and shares, because these are convertible hybrid instruments (i.e. the conversion can take a variety of forms - especially into Shares – and the trigger factor of the conversion is set with the aim of protecting the banks' capital).

Under the terms of this type of instrument, certain triggering events, including events under the control of the CoCo Bond's issuer, could cause the permanent write-down to zero of principal investment and/or accrued interest, or a conversion to equity. These triggering events may include (i) a deduction in the issuing bank's Core Tier 1/Common Equity Tier 1 (CT1/CET1) ratio (or other capital ratio) below a pre-set limit, (ii) a regulatory authority, at any time, making a subjective determination that the issuing bank requires public sector support in order to prevent the issuer from becoming insolvent or otherwise unable carry on its business and requiring or causing the conversion of the CoCo Bonds into equity in circumstances that are beyond the control of the issuer or (iii) a national authority deciding to inject capital.

The risks associated with this type of instrument are:

- Risk related to the trigger threshold: each instrument has its own characteristics. The level of conversion risk may vary, for example depending on the distance between the issuer's Tier 1 ratio and a threshold defined in the terms of issue. The occurrence of the contingent event may result in a conversion into Shares or even a temporary or definitive writing off of all or part of the debt.
- Conversion risk: the behaviour of this instrument in the event of conversion may be unpredictable. The manager may be required to sell its securities in the event of a conversion into Shares in order to comply with the Sub-Fund's investment policy.
- Impairment risk: the conversion mechanism of certain contingent convertible bonds may result in a total or partial loss of the initial investment.
- Risk of loss of coupon: with certain types of CoCo Bonds, the payment of coupons is discretionary and may be cancelled by the issuer at any time and for an indeterminate period.

- Risk of inversion of the capital structure: unlike the conventional capital hierarchy, under certain circumstances investors in CoCo Bonds may bear a loss greater than that of the Shareholders. This is particularly the case when the trigger threshold is set at a high level.
- Risk of non-exercise of the repayment option by the issuer: as CoCo Bonds can be issued as perpetual instruments, investors may not be able to recover their capital on the optional reimbursement dates provided for in the terms of issue.
- Risk of concentration in a single industry: to the extent that CoCo Bonds are issued by a single category of issuer, adverse events in the industry could affect investments in this type of instrument in a global manner.
- Risk linked to the complexity of the instrument: as these instruments are relatively recent, their behaviour during a period of stress and testing of conversion levels may be highly unpredictable.
- Liquidity risk: as with the high-yield bond market, the liquidity of CoCo Bonds may be affected significantly in the event of a period of turmoil in the markets.
- Valuation risk: the attractive return on this type of instrument may not be the only criterion guiding the valuation and the investment decision. It should be viewed as a complexity and risk premium.

The investment policy for each Sub-Fund indicates the maximum percentage planned for this type of instrument, if an investment is planned in CoCo Bonds.

25.3. INVESTMENTS IN DISTRESSED AND DEFAULT SECURITIES

Shareholders and potential investors who are considering investing in one of the Sub-Funds of the Company concerned by the risks associated with "Distressed securities and default securities" should read this chapter carefully before considering any investment.

"Distressed Securities" may be defined as debts that are officially in restructuring or in payment default and whose credit margin is at least 10% higher (in absolute terms) than the risk-free interest rate (interest rate applicable to the currency of issue) and whose rating (by at least one of the major rating agencies) is lower than CCC-.

The following Sub-Funds are eligible to invest in Distressed Securities, as further described in the Part A: "The Sub-Funds of CARMIGNAC PORTFOLIO" of this prospectus: Carmignac Portfolio Global Bond (up to 5%), Carmignac Portfolio Flexible Bond (up to 4%), Carmignac Portfolio Emerging Patrimoine (up to 5%), Carmignac Portfolio Patrimoine (up to 5%), Carmignac Portfolio Sécurité (up to 4%), Carmignac Portfolio Credit (up to 10%), Carmignac Portfolio EM Debt (up to 20%), and Carmignac Portfolio Patrimoine Europe (up to 5%).

The Company's other Sub-Funds may not invest in this type of instrument. However, it is possible that some of the instruments that they hold join the "Distressed Securities" category after their acquisition, following a market event or any other event resulting in their change of category. In such case, the manager will act in the best interest of the investors in order to resolve the situation.

The specific risks associated with this type of instrument are:

- Credit risk: this risk is particularly high in the case of distressed debt, as it is a debt in restructuring or in default. The probability of covering the investment is then very low.
- Liquidity risk: this risk is particularly high in the case of distressed debt, as it is a debt in restructuring or in default. The probability of being able to sell it in the short or medium term is then very low.

26. CONTRIBUTION OF DERIVATIVES TO THE MANAGEMENT OF THE SUB-FUNDS

Shareholders and potential investors who are considering investing in one of the Company's Sub-Funds should read this chapter carefully before considering any investment.

Each portfolio manager uses derivatives to hedge, arbitrage or expose the Sub-Funds, in compliance with their respective investment policies. Derivative instruments will contribute to the Sub-Funds' investment policies as described hereunder. It has to be noted that depending on market conditions, and within the limits of this investment policy, even the least

used derivative instruments can contribute significantly to the realisation of the investment objective of the relevant Sub-Fund.

- Equity derivatives: derivatives of equities, equity indices and baskets of equities or equity indices are used to gain long and short exposure, or hedge exposure, in connection with an issuer, group of issuers, economic sector or geographic region, or to simply adjust the portfolio's overall exposure to equity markets. An equity derivative contract can also be used to pursue relative value strategies, where the portfolio takes simultaneous long and short positions on equity markets, depending on the country, region, economic sector, issuer or group of issuers.
- Currency derivatives: currency derivatives are used to gain long or short exposure, hedge exposure to a currency, or simply to adjust the portfolio's overall exposure to currency risk. They may also be used to pursue relative value strategies, where the fund takes simultaneous long and short positions on foreign exchange markets. The fund also holds forward exchange contracts traded over-the-counter to hedge against currency risk on hedged units denominated in currencies other than the euro.
- Interest rate derivatives: interest rate derivatives are used to gain long and short exposure, hedge against interest rate risk, or simply adjust the portfolio's overall modified duration. Interest rate derivatives are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on different fixed income markets, depending on the country, region or yield curve segment.
- Credit derivatives: credit derivatives (either on a single issuer or on credit indices) are used to gain long and short exposure to the creditworthiness of an issuer, group of issuers, economic sector, country or region, or to hedge against the risk of default by an issuer, group of issuers, economic sector, country or region, or to adjust the fund's total exposure to credit risk.
- Volatility derivatives: volatility or variance derivatives are used to gain long and short exposure to market volatility, to hedge equity exposure or to adjust the portfolio's exposure to market volatility or variance. They are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on market volatility.
- Commodity Derivatives: subject to eligibility, commodity derivatives are used to gain long and short exposure, commodities, to hedge commodity exposure, or to adjust the portfolio's overall exposure to commodity markets. They are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on commodities.
- Long/Short and Short-Only equities: equity derivatives are used for implementing so-called "relative value" strategies, by being both long and short in the equity markets, and "short only" directional strategies by being short only. These strategies are used to exploit differences in values between issuers, business sectors, countries or regions.
- Fixed Income Arbitrage and fixed income Short-Only derivatives: fixed income derivatives are used for implementing so-called "relative value" strategies, by being both long and short in the fixed income markets, and "short only" directional strategies by being short only. These strategies are used to exploit differences in values between yield curve segments, countries or regions.
- Long/Short and Short-Only currencies: currency derivatives are used for implementing so-called "relative value" strategies, by being both long and short in the currency markets, and "short only" directional strategies by being short only. These strategies are used to exploit differences in stocks between currencies.
- Long/Short and Short-Only credit: credit derivatives are used for implementing so-called "relative value" strategies, by being both long and short in the credit markets, and "short only" directional strategies by being short only. These strategies are used to exploit differences in values between issuers, business sectors, countries or regions.
- Dividend derivatives: dividend derivatives are used to gain long and short exposure to the dividend of an issuer or group of issuers, or to hedge the dividend risk on an issuer or group of issuers, dividend risk being the risk that the dividend of a Share or equity index action is not paid as anticipated by the market. They are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on equity market dividends.
- Inflation derivatives: Inflation derivatives are a subclass of derivatives contracts used by investors to manage the potential negative impact of rising inflation levels or speculate on future inflation levels. Like other derivatives including options or futures, inflation derivatives allow individuals to participate in price movements of an underlying market or index, e.g. Consumer Price Index (CPI).

27. USE OF BENCHMARKS

Reference indicators are used by the Company for comparison of performance of certain individual Sub-Funds to the performance of such reference indicators. Where appropriate, reference indicators are converted into EUR for EUR Shares and hedged Shares or into the relevant reference currency for unhedged Shares. Performance fees, as

applicable, may be calculated, entirely or partly, based on such comparison, as described in each relevant Sub-Fund sheet. In case that the reference indicators are used for calculation of the Performance fee, the former then qualify as "benchmarks" under the EU Benchmark Regulation (EU 2016/1011, also known as "BMR"). reference indicators are not used as part of the investment strategy.

In accordance with the BMR, the Company has produced and maintains a robust written plan setting out the actions that it will take in the event that a benchmark materially changes or ceases to be provided. By completing and returning a subscription form, Shareholders agree to such action as set out in the written plans and acknowledge such written plans can be consulted on request and free of charge at the Registered Office of the Company.

The Company has issued a Benchmark Policy under which the benchmark selection and usage shall be subject to BMR criteria. The Company monitors the status of the administrator of the benchmark, or of the third-country benchmark itself as applicable, with respect to their listing in the register maintained by ESMA as per art. 36 of the BMR.

Please refer to the table below for information on such status for each Sub-Fund, at the time of latest amendment of the Prospectus. The table will be updated in case of any changes to registration status at the nearest opportunity.

Benchmark indices and administrators registered pursuant to the BMR

Sub-Fund	Reference indicator	%	Administrator	Status*
CARMIGNAC PORTFOLIO Grande Europe	MSCI Europe NR Index	100	MSCI	Yes
CARMIGNAC PORTFOLIO Asia Discovery	MSCI EM Asia Ex-China IMI 10/40 Capped NR Index	100	MSCI	Yes
CARMIGNAC PORTFOLIO Global Bond	JPM JPM Global Government Bond Index	100	JP Morgan	Yes
CARMIGNAC PORTFOLIO Flexible Bond	ICE BofA Euro Broad Market Index	100	ICE Benchmark Administration Limited	Yes
CARMIGNAC PORTFOLIO Emerging Patrimoine	MSCI EM NR Index	40	MSCI	Yes
	JPMorgan GBI-EM Global Diversified Composite Index	40	JP Morgan	Yes
	€STR capitalized index	20	EMMI	Yes
CARMIGNAC PORTFOLIO Investissement	MSCI AC World NR index	100	MSCI	Yes
CARMIGNAC PORTFOLIO Emergents	MSCI EM NR Index	100	MSCI	Yes
CARMIGNAC PORTFOLIO Patrimoine	MSCI AC World NR index	40	MSCI	Yes
	ICE BofA Global Government Index	40	ICE Benchmark Administration Limited	Yes
	€STR capitalised index	20	EMMI	Yes
CARMIGNAC PORTFOLIO Sécurité	ICE BofA 1-3 Year All Euro Government Index	100	ICE Benchmark Administration Limited	Yes
CARMIGNAC PORTFOLIO Credit	ICE BofA Euro Corporate Index	75	ICE Benchmark Administration Limited	Yes
	ICE BofA Euro High Yield Index	25	ICE Benchmark Administration Limited	Yes
CARMIGNAC PORTFOLIO EM Debt	JPM GBI-EM Global Diversified Composite Index	50	JP Morgan	Yes
	JPM EMBI Global Diversified hedged Index	50	JP Morgan	Yes
CARMIGNAC PORTFOLIO Patrimoine Europe	ICE BofA All Maturity All Euro Government Index	40	ICE Benchmark Administration Limited	Yes
	MSCI Europe NR Index	40	MSCI	Yes
	€STR capitalised index	20	EMMI	Yes
CARMIGNAC PORTFOLIO Grandchildren	MSCI WORLD NR Index	100	MSCI	Yes
CARMIGNAC PORTFOLIO Human Xperience	MSCI AC WORLD NR Index	100	MSCI	Yes
CARMIGNAC PORTFOLIO China New Economy	MSCI CHINA NR Index	100	MSCI	Yes
CARMIGNAC PORTFOLIO Inflation Solution	Eurostat Euro HICP ex tobacco index	100	European Central Bank (ECB)	No

CARMIGNAC PORTFOLIO Tech Solutions	MSCI AC World Information Technology 10/40 Capped NR Index	100	MSCI	No
CARMIGNAC PORTFOLIO Sustainable Bond	ICE EUR Social, Sustainable & Green Bond Index	100	ICE	Yes

* Yes = Administrator authorised under art. 34 of the BMR
* No = Administrator presently not listed in the ESMA public register as set out in art. 36/subject to transitional provisions in art. 51 of the BMR or as the administrator is benefiting from the exemption provided by article 2.2. point b) of the Benchmark regulation.

28. LIQUIDITY RISK MANAGEMENT

The Management Company has established a liquidity risk management policy which enables it to identify, monitor and manage the liquidity risks of each Sub-Fund and to ensure that the liquidity profile of the investments of each Sub-Fund will facilitate compliance with the Sub-Fund's obligation to meet redemption requests. The policy combines qualitative and quantitative tools to manage liquidity risk arising both the assets and the liabilities with tools to ensure fair treatment of shareholders.

When assessing the liquidity of each Sub-Fund, the Management Company will take to account different factors including (but not limited) to the Sub-Fund's investment strategy, the nature of the assets invested, the market conditions and the liabilities profile.

The day-to-day liquidity risk management is based on on-going monitoring of the liquidity profile of each investment in each Sub Fund to ensure that all such investment are appropriate to the investment strategy, the risk profile of the Sub-fund, the investor base and the redemption policy.

The liquidity risk management includes periodic and ad hoc stress test allowing the assessment and management of the liquidity risk of each sub-fund under normal and stressed market conditions. Stress test scenarios include both assets and liability stresses. The Management Company will analyse the results of these stress tests and the day-to-day liquidity risk management to consider taking actions which may be an adjustment of the asset in the portfolio or if necessary, the preparation of a contingency plan.

In addition to monitoring and managing the liquidity risk, the Fund may use the liquidity management tools and measures, which, in the interest of ensuring fair treatment of shareholders, have the capacity to affect the investors' redemption rights.

The following liquidity management tools are potentially applied:

- Swing pricing: The Fund may in certain circumstances impose on subscriptions and/or redemptions effected on a given day, an adjustment of the Net Asset Value per Share to prevent or reduce dilution ("swing pricing"). As a result of swing pricing, the investor redeeming its shares on the day when the swing pricing is employed, will be entitled to redemption price which is lower than what it would have been, had the Net Asset Value per Share not been adjusted. Please refer to section 15 of this General Section of the prospectus for more details.

- Suspension of Net Asset Value and issue, redemption and conversion of Shares: The Fund may suspend the calculation of the Net Asset Value, as well as the issue, redemption and conversion of any Class of Shares for each of the Company's Sub-Funds. The Funds will take this temporary action under exceptional circumstances and/or market conditions and in the best interest of shareholders. Please refer to section 16 of the General Section for more details.

Summary table of Liquidity Management tools (LMT)

The liquidity management tools are currently available for the following sub-funds:

Liquidity Management Tool	Sub-funds
NAV suspension	All sub-funds
Swing pricing	Carmignac Portfolio Credit Carmignac Portfolio EM Debt

29. SUSTAINABILITY RISKS (Article 6 SFDR)

29.1. Integration of Sustainability risks in the investment decisions

The Management Company acknowledges, in reference to article 6 of the Sustainable Finance Disclosure Regulation (the "SFDR") that the investments of the Company are exposed to sustainability risks which represent a potential or actual material risk to maximizing the long-term risk-adjusted returns. The Management Company has consequently integrated identification and assessment of sustainability risks into its investment decisions and risk management processes through a 3-step process

1) EXCLUSION - Investments in companies that the Management Company considers are not meeting sustainability standards of the Sub-Funds are excluded. The Management Company has established an exclusion policy which provides, among other, for company exclusions and threshold tolerances for activities in areas such as controversial weapons, tobacco, adult entertainment, thermal coal producers and power generating companies. For further information, please refer to Exclusion policy at: https://www.carmignac.lu/en_GB/responsible-investment/template-hub-policies-reports-4528

2) ANALYSIS – the Management Company integrates ESG related analysis alongside conventional financial analysis to identify sustainability risks of investee companies within the investment universe with a coverage of above 90% of corporate bond and equity holdings. The proprietary ESG research system of Carmignac, START, is used by Management Company to assess sustainability risks. For further information, please refer to ESG integration policy at https://www.carmignac.lu/en_GB/responsible-investment/template-hub-policies-reports-4528 and to information on START system at https://www.carmignac.lu/en_GB/responsible-investment/in-practice-4744

3) ENGAGEMENT – the Management Company engages with investee companies or issuers on ESG-related issues to raise awareness and understanding on sustainability risks within portfolios. These engagements may involve a specific environmental, social or governance thematic, a sustainable impact, controversial behaviours or during proxy voting decisions. For further information, please refer to Engagement policy at https://www.carmignac.lu/en_GB/responsible-investment/template-hub-policies-reports-4528 and https://www.carmignac.lu/en_GB/responsible-investment/in-practice-4744

29.2. Potential impacts of sustainability risks on the returns of the Company.

Sustainability risks may cause adverse sustainability impacts in terms of an actual or a potential material negative impact on the value of the investments, the Net Asset Value of the Sub-Funds and ultimately, on the return on investors' investment.

There are multiple manners in which the Management Company can monitor and gauge the financial materiality of sustainability risks on an investee company's financial return.

Environment: The management company believes that if a company does not consider the environmental impact of its operations, and in the production of its goods and services, that a company could experience natural capital deterioration, environmental fines or declining client demand for its goods and services. Therefore, the carbon footprint, water and waste management, and sourcing and suppliers are monitored where relevant to the company.

Social: The Management company considers social indicators are important to monitor a company's long-term growth potential and financial stability. Such policies on human capital, product safety controls, and client data protection are some of the important practices that are monitored.

Governance: The Management company considers that weak corporate governance can lead to financial risk therefore board independence, management committee composition and skills, minority shareholder treatment and remuneration are key factors investigated. Also, corporate behaviour of accounting practices, tax and anti-bribery are verified.

29.3. CO2 emissions

The reference to "CO2 emissions" is made in relation to numerous ESG funds in the prospectus.

The following additional information is provided in this respect to those sub-funds where there is a target level of aggregate carbon intensity at least below 30% of the level of the benchmark:

a) The portfolio managers of each sub-fund have defined an approach to invest in assets which have at least 30% less CO2 emissions than the carbon emissions of the sub-fund's reference indicator. This objective is achieved, among others, by:
   - Limiting investments in companies owning fossil fuel reserves
   - Selecting companies that follow a more ambitious carbon risk management policy than their industry peers
   - Investing in companies that offer clean technology solutions
   - Exclusion energy sector investments

b) Reference benchmark is the sub-fund's reference indicator, commonly a broad market index which corresponds to the sub-fund's investment universe.

c) The portfolio is screened permanently for carbon emissions compared to its benchmark. This information is available on the front office positioning tool. The raw data is sourced from MSCI. The portfolio management team monitor the overall carbon footprint and marginal increase of carbon emissions for each holding, as well as the carbon intensity of the portfolio in order to respect the target level of aggregate carbon intensity at least below 30% of the level of the benchmark. The cash position is not taken into account and CO2 emission data may not be available for all investments.

d) For the article 8 funds, the underlying low carbon approach explains and proves the environmental characteristics of the fund.

For further information on CO2 calculation method used:

Carbon emissions figures are based on MSCI data. The analysis is conducted using estimated or declared data measuring Scope 1 and Scope 2 carbon emissions, excluding cash and holdings for which carbon emissions are not available. To determine carbon intensity, the amount of carbon emissions in tonnes of CO2 is calculated and expressed per million dollar of revenues (converted to Euro). This is a normalised measure of a portfolio's contribution to climate change that enables comparisons with a reference indicator, between multiple portfolios and over time, regardless of portfolio size

Definitions:

Scope1: Greenhouse gas emissions generted from burning fossil fuels and production processes which are owned or controlled by the company.
Scope 2: Greenhouse gas emissions from consumption or purchased electricty, heat or steam by the company
Scope 3: other indirect Greenhouse gas emissions, such as from the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity, electricty-related activities (eg T&D losses) not covered in Scope 2, outsourced activities, waste disposal, etc

29.4. Do no significant harm

Where a Sub-Fund promote environmental characteristics in accordance with article 8(1) SFDR, the "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

29.5. Sub-Funds not subject to article 8 or article 9 SFDR

Where a Sub-Fund does not have a sustainable objective, in accordance with article 9(1) SFDR, nor does it promote environmental or social characteristics in accordance with article 8(1) SFDR, the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

CARMIGNAC PORTFOLIO

SICAV established in accordance with the Law of 2010
Registered office: 5, Allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg
Luxembourg Trade and Companies Register no. B 70 409

LIST OF SUB-FUNDS AND SHARE CLASSES

(launched as of the date of the Prospectus)

1. CARMIGNAC PORTFOLIO GRANDE EUROPE	
A EUR Acc (LU0099161993) A CHF Acc Hdg (LU0807688931) A USD Acc Hdg (LU0807689079) A EUR Ydis (LU0807689152) E EUR Acc (LU0294249692) F EUR Acc (LU0992628858) F EUR YDis (LU2139905785) FW EUR Acc (LU1623761951) FW GBP Acc (LU2206982626) FW USD Acc Hdg (LU2212178615) I EUR Acc (LU2420652633) IW EUR Acc (LU2420652807) X2 CAD YDis Hdg (LU2772084070)	
2. CARMIGNAC PORTFOLIO ASIA DISCOVERY	**3. CARMIGNAC PORTFOLIO GLOBAL BOND**
A EUR Acc (LU0336083810) A USD Acc Hdg (LU0807689582) F EUR Acc (LU0992629740) FW EUR Acc (LU1623762256) FW GBP Acc (LU0992630086) I EUR Acc (LU2420651155) IW GBP Acc (LU2427320499)	A EUR Acc (LU0336083497) Income A EUR (LU1299302098), as from 12/9/2025 “A EUR Minc” A EUR Ydis (LU0807690168) A CHF Acc Hdg (LU0807689822) A USD Acc Hdg (LU0807690085) E EUR Acc (LU1299302254) Income E USD Hdg (LU0992630326), as from 12/9/2025 “E USD Minc Hdg” F EUR Acc (LU0992630599) F CHF Acc Hdg (LU0992630755) F USD Acc Hdg (LU0992630912) F EUR Ydis (LU1792392216) FW EUR Acc (LU1623762769) FW GBP Acc (LU0992630839) FW GBP Acc Hdg (LU0553413385) I EUR Acc (LU2420651825) IW EUR Acc (LU2420652047) Z EUR Acc (LU2931970912)
4. CARMIGNAC PORTFOLIO FLEXIBLE BOND	**5. CARMIGNAC PORTFOLIO EMERGING PATRIMOINE**
A EUR Acc (LU0336084032) Income A EUR (LU1299302684), as from 12/9/2025 “A EUR Minc” A EUR Ydis (LU0992631050) A CHF Acc Hdg (LU0807689665) A USD Acc Hdg (LU0807689749) E EUR Acc (LU2490324337) Income F EUR (LU3060210526), as from 12/9/2025 “F EUR Qinc” F EUR Acc (LU0992631217) F CHF Acc Hdg (LU0992631308) F USD Acc Hdg (LU2427321547) FW EUR Acc(LU2490324501) IW EUR Acc (LU2490324410) Z EUR Acc (LU2970271743)	A EUR Acc (LU0592698954) A EUR Ydis (LU0807690911) A CHF Acc Hdg (LU0807690838) A USD Acc Hdg (LU0592699259) E EUR Acc (LU0592699093) F EUR Acc (LU0992631647) F CHF Acc Hdg (LU0992631720) F GBP Acc (LU0992631993)
6. CARMIGNAC PORTFOLIO EMERGENTS	**7. CARMIGNAC PORTFOLIO LONG-SHORT EUROPEAN EQUITIES**
A EUR Acc (LU1299303229) A EUR YDis (LU1792391242) E USD Acc Hdg (LU0992627025) F EUR Acc (LU0992626480) F CHF Acc Hdg (LU0992626563) F USD Acc Hdg (LU0992626993) FW EUR Acc (LU1623762413) FW GBP Acc (LU0992626720) I EUR Acc (LU2420650777) IW EUR Acc (LU2420651072) X EUR Acc (LU2870281644)	A EUR Acc (LU1317704051) A CHF Acc Hdg (LU3135111204) E EUR Acc (LU1317704135) F EUR Acc (LU0992627298) F CHF Acc Hdg (LU0992627371) F GBP Acc Hdg (LU0992627454) F USD Acc Hdg (LU0992627538) X EUR Acc (LU2914157503)
8. CARMIGNAC PORTFOLIO INVESTISSEMENT	**9. CARMIGNAC PORTFOLIO PATRIMOINE**
A EUR Acc (LU1299311164) A USD Acc Hdg (LU1299311677) AW-R EUR Acc (LU3149200233) E EUR Acc (LU1299311834)	Income A EUR (LU1163533422), as from 12/9/2025 “A EUR Minc” A EUR Acc (LU1299305190) A EUR Ydis (LU1299305356) A CHF Acc Hdg (LU1299305513)

F EUR Acc (LU0992625839) FW-R EUR Acc (LU3149200746)	A USD Acc Hdg (LU1299305786) E EUR Acc (LU1299305943) Income E EUR (LU1163533349), as from 12/9/2025 "E EUR Minc" E USD Acc Hdg (LU0992628429) Income E USD Hdg (LU0992628692), as from 12/9/2025 "E USD Minc Hdg" F EUR Acc (LU0992627611) F EUR Ydis (LU1792391671) Income F EUR (LU1163533778), as from 12/9/2025 "F EUR Minc" F CHF Acc Hdg (LU0992627702) F GBP Acc Hdg (LU0992627967) F USD Acc Hdg (LU0992628346)
10. CARMIGNAC PORTFOLIO SÉCURITÉ	**11. CARMIGNAC PORTFOLIO CREDIT**
A EUR Acc (LU2426951195) AW EUR Acc (LU1299306321) AW EUR Ydis (LU1299306677) AW CHF Acc Hdg (LU1299307055) AW USD Acc Hdg (LU1299306834) E EUR Acc (LU3003216408) FW EUR Acc (LU0992624949) FW EUR Ydis (LU1792391911) FW CHF Acc Hdg (LU0992625086) FW USD Acc Hdg (LU0992625243) I EUR Acc (LU2420653367) X EUR Acc (LU2490324253)	A EUR Acc (LU1623762843) A CHF Acc Hdg (LU2020612490) A USD Acc Hdg (LU1623763064) Income A EUR (LU1623762926), as from 12/9/2025 "A EUR Minc" E EUR Acc (LU3003216580) F EUR Acc (LU1932489690) F CHF Acc Hdg (LU2020612730) F USD Acc Hdg (LU2020612904) FW EUR Acc (LU1623763148) FW CHF Acc Hdg (LU2020612813) FW USD Acc Hdg (LU2427321208) X EUR Acc (LU2475941915) X2 CAD YDis Hdg (LU2772084237) Z EUR Acc (LU2931971134)
12. CARMIGNAC PORTFOLIO EM DEBT	**13. CARMIGNAC PORTFOLIO PATRIMOINE EUROPE**
A EUR Acc (LU1623763221) Income A EUR (LU1623763494), as from 12/9/2025 "A EUR Minc" A USD Acc Hdg (LU2427320812) E EUR Acc (LU3003216747) F EUR Acc (LU2277146382) F USD Acc Hdg (LU2427320903) F USD YDis Hdg (LU2346238343) FW EUR Acc (LU1623763734) IW GBP Acc Hdg (LU2638445218) X EUR Acc (LU3119442666)	A EUR Acc (LU1744628287) AW EUR Acc (LU1932476879) Income A EUR (LU2490324840), as from 12/9/2025 "A EUR Minc" E EUR Acc (LU2490324683) F EUR Acc (LU1744630424) F EUR YDis (LU2369619742) F GBP Acc Hdg (LU2970252958) FW EUR Acc (LU2490324766) I EUR Acc (LU2970252875)
14. CARMIGNAC PORTFOLIO GRANDCHILDREN	**15. CARMIGNAC PORTFOLIO HUMAN XPERIENCE**
A EUR Acc (LU1966631001) AW USD Acc (LU2782951763) E EUR Acc (LU3003216234) F EUR Acc (LU2004385667) FW EUR Acc (LU1966631266) FW GBP Acc (LU2427320655) FW GBP YDis (LU2427320739) I EUR Acc (LU2420652393) IW EUR Acc (LU2420652476) Z EUR Acc (LU2931971050)	A EUR Acc (LU2295992163) F EUR Acc (LU2295992247) FW GBP Acc (LU2601234839) X EUR Acc (LU2947293564)
16. CARMIGNAC PORTFOLIO CHINA NEW ECONOMY	**17. CARMIGNAC PORTFOLIO EVOLUTION**
A EUR Acc (LU2295992320) F EUR Acc (LU2295992676)	M EUR Acc (LU2462965026)
	18. CARMIGNAC PORTFOLIO MERGER ARBITRAGE PLUS
	A EUR Acc (LU2585801256) F EUR Acc (LU2585801173) I EUR Acc (LU2585801330) F USD Acc Hdg (LU2601233948) I USD Acc Hdg (LU2601234086) F GBP Acc Hdg (LU2601234169) I GBP Acc Hdg (LU2601234326) X EUR Acc (LU3016365556) Z EUR Acc (LU2931971217)
19. CARMIGNAC PORTFOLIO INFLATION SOLUTION	**20. CARMIGNAC PORTFOLIO TECH SOLUTIONS**
A EUR Acc (LU2715954504) B EUR Acc (LU3088560464) as from 12/9/2025 E EUR Acc (LU3112062065) F EUR Acc (LU2715954330) I EUR Acc (LU2715954413) X EUR Acc (LU3088560464) until 11/9/2025	A EUR Acc (LU2809794220) A USD Acc (LU2809794493) E EUR Acc (LU2809794816) F EUR Acc (LU2809794576) F USD Acc (LU2812616816) I EUR Acc (LU2809794733) I USD Acc (LU2809794659) X EUR Acc (LU3060210443)
21. CARMIGNAC PORTFOLIO ABSOLUTE RETURN EUROPE	**22. CARMIGNAC PORTFOLIO SUSTAINABLE BOND**
A EUR Acc (LU2923680206) F EUR Acc (LU2923680388) F GBP Acc Hdg (LU2923680461) I EUR Acc (LU2923680545)	A EUR Acc (LU3133501935) F EUR Acc (LU3133502073) I EUR Acc (LU3133502156)

For additional information on the features of the Sub-Funds and Share Classes indicated above, please make reference to the specific Sub-Fund factsheet(s) in part A, "The Sub-Funds of CARMIGNAC PORTFOLIO", of this prospectus.
For additional information on the Sub-Funds and Share Classes registered in your country of residence, please consult our website additional information on the Sub-Funds and Share Classes registered in your country of residence, please consult our website.

ANNEX - INFORMATION ON SUSTAINABLE INVESTMENTS AND ENVIRONMENTAL AND SOCIAL CHARACTERISTICS OF THE SUB-FUNDS

ANNEX III

Template pre-contractual 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

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

Sustainable investment objective

Does this financial product have a sustainable investment objective?

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

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

What is the sustainable investment objective of this financial product?

The Sub-Fund's sustainable objective is to invest at least 80% of the Sub-Fund's 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 are 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

Further information on the methodologies:

Firstly, in order to determine which investee companies are aligned to the SDGs for Products and Services and Capital expenditure, we have identified a robust business classification system and mapped 1700 different business activities. In addition, we have used the SDG Compass, a resource created by GRI, the UN Global Compact and the World Business Council for Sustainable Development to identify business activities which contributed to each SDG. Furthermore, we created Carmignac 'investable themes' based upon the business activities. Based on these themes, we have filtered through each business activity in the classification system, aligning the appropriate business activities with Carmignac's 'investable themes' and using the SDG targets to verify suitability. This was reviewed by members of the Sustainable Investment (SI) and Investment team.

Secondly, in order to determine which investee companies are aligned to the SDGs for Operations, we use an external scoring methodology to create an indicative operational alignment screen. Each investee company is assessed on each of the 17 SDGs and their performance is rated from -10 to +10 for each SDG. To calculate this score, for each SDG, there are (1) Positive indicators linked to evidence of policies, initiatives and targets with specific KPIs which result in positive additions to the scores, (2) Negative indicators, linked to controversies or aderse impacts which results in negative subtractions to the score and (3) Performance indicators which assess trajectory of performance which can be additive or negative for the score. The above three assessments are aggregated into a final score for each SDG between the aforementioned -10 to + 10 range. This means that each company has 17 scores, one for each SDG, between -10 and +10.
The entire range scale for operational alignment is divided into five result categories as follows:

- >5.0: Strongly Aligned
- Score between 2.0 and 5.0, inclusive: Aligned
- Score less than 2.0 but higher than (-2.0): Neutral
- Score equal to or less than (-2.0) but higher than (-10): Misaligned
- Score equal to (-10): Strongly Misaligned

Once the threshold for alignment for the Products and Services, Capital expenditure or Operations is met, the full weight of the holding is considered aligned.

In addition, 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 but it excludes Companies with a Co2 intensity greater than 500 tCO2/mEUR revenue and aims to achieve carbon emissions 50% lower than its reference indicator MSCI Europe NR), measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

The Sub-Fund has not designated a reference benchmark for the purposes of showing the attainment of the sustainable investment objective. The objective is an absolute target to invest 80% of net assets into companies on a continuous basis that are aligned to one of the aforementioned relevant SDGs according to the predefined revenue, capital expenditure or operational alignment thresholds.

The attainment of the sustainable objective is ensured on a continuous basis through monitoring and controls and will be published monthly on the Sub-Fund's webpage.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

This Sub-Fund uses 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), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

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

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) The amount the equity universe is reduced by : The investment universe for universe reduction purposes is composed of 1,200 listed European stocks with over 1 billion euro market capitalisation. This universe is reduced by a minimum of 25% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation and thermal coal mining. Companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are excluded of the Sub-Fund's investment universe. Companies with a Co2 intensity greater than 500 tCO2/mEUR revenue are excluded. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above.

Prior to reducing the investment universe as described above, the equities and corporate bond universes are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of the indices making up these universes and that of the Fund's portfolio. Each issuer is re-weighted according to the fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalization (small/mid/large)) allowing for a +/-5% margin for each separate characteristic.. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the fund's historical weightings over the last 5 years, considering sector, geography, and capitalization rotations.

3) Minimum of Sustainable investments: The Sub-Fund makes sustainable investments whereby a minimum of 80% of the Sub-Fund's net assets, which align positively with relevant United Nations SDGs. The minimum levels of sustainable investments with environmental and social objectives are respectively 10% and 30% of the Sub-Fund's net assets.

4) 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.

5) Low-carbon intensity target: The Sub-fund will exclude Companies with a Co2 intensity greater than 500 tCO2/mEUR and aims in the equity and corporate bond part of the portfolio, as applicable, to achieve a carbon emissions profile that is 50% lower than its reference indicator (MSCI Europe NR), measured monthly by carbon intensity (tCO2/mEUR revenue); aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

6) Principal adverse impacts: 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 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, 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).

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

We use 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 are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation and thermal coal mining. In addition, Companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are excluded of the Sub-Fund's investment universe. Companies with a Co2 intensity greater than 500 tCO2/mEUR revenue are excluded. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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 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.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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.

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.

This Sub-Fund applies a controversy screening process for all its investments. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The screening process bases its controversy identification on the OECD Business Guidelines and UN Global compact principles and is commonly called Norms-based screening, integrating a strict flagging system 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.

Does this financial product consider principal adverse impacts on sustainability factors?

✖ Yes

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 (chosen 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, 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).
To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

☐ No

What investment strategy does this financial product follow?

The Sub-Fund invests at least 75% of its assets in equities in the European Economic Area. The Sub-Fund may also be invested up to 25% of its assets in equities in the OECD countries outside of the European Economic Area.

The Sub-Fund adopts a sustainable investment approach using best in universe and best efforts selection process and both positive and negative screening to identify companies with long term sustainable growth criteria. The Sub-Fund makes sustainable investments whereby a minimum of 80% of the Sub-Fund's net assets, are invested 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 are 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.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score._For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to equity issuers. The Environmental, Social and Governance analysis

("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 25%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are excluded of the Sub-Fund's investment universe. Companies with a Co2 intensity greater than 500 tCO2/mEUR revenue are excluded. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above.

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.

Portfolio climate targets: The Sub-Fund has portfolio climate targets to reduce its greenhouse gas ("GHG") emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund's portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

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 objective but will exclude Companies with a Co2 intensity greater than 500 tCO2/mEUR and aims to achieve carbon emissions 50% lower than its reference indicator (MSCI Europe NR), measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG emissions).

Additional KPIs: In order to comply with the requirements of the French ISR Label; the sub-fund aims to achieve a lower GHG intensity (as defined in the Principal Adverse Impact (PAI) indicators) and a higher SDG alignment than its reference indicator.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The binding elements of the investment strategy used to select the investments to attain the sustainable investment objective are:

- 80% of the Sub-Fund's net assets are invested in sustainable investments aligned positively with the United Nations Sustainable Development Goals (as outlined above);

- The minimum levels of sustainable investments with environmental and social objectives are respectively 10% and 30% of the Sub-Fund's net assets;
- Equity Investment universe is actively reduced by at least 25%;
- ESG analysis applied to at least 90% of issuers;
- carbon emission 50% lower than the reference indicator as measured by carbon intensity.

What is the policy to assess good governance practices of the investee companies?

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

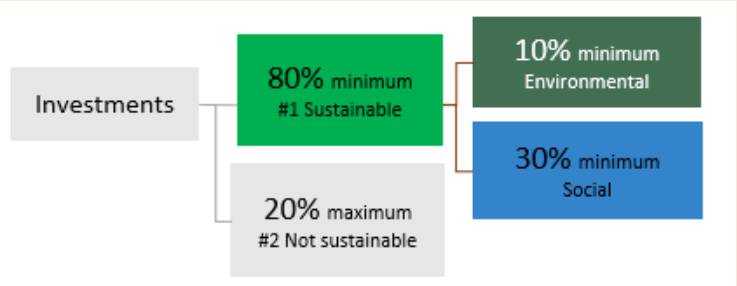
In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:
- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

What is the asset allocation and the minimum share of sustainable investments?



#1 Sustainable covers sustainable investments with environmental or social objectives.
#2 Not sustainable includes investments which do not qualify as sustainable investments.

Asset allocation describes the share of investments in specific assets.

A minimum proportion of 80% of this Sub-Fund's net assets is used to meet the sustainable objective of the Sub-Fund in accordance with the binding elements of the investment strategy.

The minimum levels of sustainable investments with environmental and social objectives are respectively 10% and 30% of the Sub-Fund's net assets.

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.

How does the use of derivatives attain the sustainable investment objective?
For attaining its sustainable objective, the Sub-Fund may invest directly in shares of companies, or use derivatives to achieve synthetic exposure to such companies and indices. In the case where single names derivatives are used for purposes other than hedging; i.e. investment purposes (to achieve synthetic exposure), the single security derivatives must be aligned with the SDGs, described above and included in our sustainable investment definition, for physical long positions

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 companies.

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 ad among others have greenhouse gas emission levels corresponding to the best performance.

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

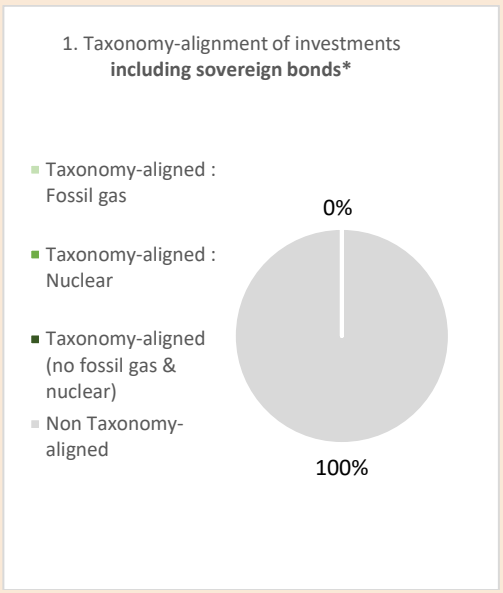
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[3]?

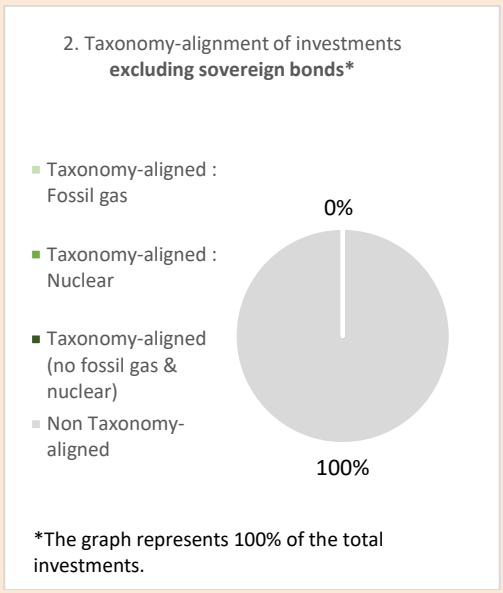
☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are 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 is the minimum share of investments in transitional and enabling activities?

As the Sub-Fund does not have a minimum Taxonomy alignment there is no current minimum share of transitional and enabling activities.

[3] 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.

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

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum level of sustainable investments with environmental objectives that are not aligned with the EU Taxonomy is 10% of the Sub-Fund's net assets.

What is the minimum share of sustainable investments with a social objective?

The minimum level of sustainable investments with social objectives is 30% of the Sub-Fund's net assets.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

In addition to sustainable investments, the Sub-Fund may invest in cash for liquidity management purposes. The Sub-Fund may also invest in derivatives instruments for hedging purposes. Environmental, social and governance considerations into synthetic exposure have been integrated through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivative or index derivatives.

Single name derivatives

The Sub-Fund may enter into derivatives with a short exposure to a single underlying security ("single name") only for hedging purposes, i.e. covering the long exposure on that same issuer. Net short positions, i.e. situations where the short exposure on the underlying issuer is greater that the long exposure of the Sub-Fund on that same issuer, are prohibited. The use of short derivatives for purposes other than hedging is prohibited.

Index derivatives

Index derivatives purchased for hedging purposes are not analysed for ESG purposes.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The investments included under "#2 Not sustainable" abide by our firm-wide negative screening framework for minimum safeguards.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

N/A.

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

N/A.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

- ***How does the designated index differ from a relevant broad market index*?**

  N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-grande-europe/a-eur-acc/fund-overview-and-characteristics

ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO ASIA DISCOVERY **Legal entity identifier:** 5493001UQQGPERC77586

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 50 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective 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	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

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.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics by applying best-in-universe and best-effort approaches to invest in a sustainable manner: 1) ESG integration, 2) Negative screening, 3) Positive screening applying a UN SDG alignment approach, 4) Active Stewardship to promote Environment and Social characteristics 5) Monitoring of Principal Adverse Impacts.

The Sub-Fund has not designated a reference benchmark for the purposes of attaining the environmental and/or social characteristics.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted by the Sub-Fund :

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), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

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

2) The amount the equity universe is reduced by : the investment universe of the Sub-Fund for universe reduction purposes is composed of a selection of listed equities in Asia and other Emerging markets with over 500 million euro of market capitalisation. .This universe is reduced by a minimum of 20% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on governance pillar are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

Prior to reducing the investment universe as described above, the equities and corporate bond universes are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of the indices making up these universes and that of the Fund's portfolio. Each issuer is re-weighted according to the fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalization (small/mid/large)) allowing for a +/-5% margin for each separate characteristic.. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the fund's historical weightings over the last 5 years, considering sector, geography, and capitalization rotations.

3) **Positive screening (Sustainable Investments):** the Sub-Fund makes sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets are invested in shares of companies that are considered aligned with relevant United Nations Susainable Development Goals. The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 15% 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:** derive at least 50% of their revenue from goods and services 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

b) **Capital expenditure:** invest at least 30% of their 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals. The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 15% of the Sub-Fund's net assets.

Further information on the methodologies:

Firstly, in order to determine which investee companies are aligned to the SDGs for Products and Services and Capital Expenditure, we have identified a robust business classification system and mapped 1700 different business activities. In addition, we have used the SDG Compass, a resource created by GRI, the UN Global Compact and the World Business Council for Sustainable Development to identify business activities which contributed to each SDG. Furthermore, we created Carmignac 'investable themes' based upon the business activities. Based on these themes, we have filtered through each business activity in the classification system, aligning the appropriate business activities with Carmignac's 'investable themes' and using the SDG targets to verify suitability. This was reviewed by members of the Sustainable Investment (SI) and Investment team.

Secondly, in order to determine which investee companies are aligned to the SDGs for Operations, we use an external scoring methodology to create an indicative operational alignment screen. Each investee company is assessed on each of the 17 SDGs and their performance is rated from -10 to +10 for each SDG. To calculate this score, for each SDG, there are (1) Positive indicators linked to evidence of policies, initiatives and targets with specific KPIs which result in positive additions to the scores, (2) Negative indicators, linked to controversies or adverse impacts which results in negative subtractions to the score and (3) Performance indicators which assess trajectory of performance which can be additive or negative for the score. The above three assessments are aggregated into a final score for each SDG between the aforementioned -10 to + 10 range. This means that each company has 17 scores, one for each SDG, between -10 and +10.
The entire range scale is divided into five result categories as follows:

- >5.0: Strongly Aligned
- Score between 2.0 and 5.0, inclusive: Aligned
- Score less than 2.0 but higher than (-2.0): Neutral
- Score equal to or less than (-2.0) but higher than (-10): Misaligned
- Score equal to (-10): Strongly Misaligned

Once the threshold for alignment for the Products and Services, Capital expenditure or Operations is met, the full weight of the holding is considered aligned.

4) 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.

5) Principal adverse impacts: 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 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, 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).

In exceptionnal circumstances, should this Sub-Fund invest in debt securities (e.g. fixed and/or floating rate bonds) and/or money market instruments, the following environmental and social characteristics would apply: 1) ESG integration through the analysis of issuers on START, 2) Negative screening through our firm-wide exclusions, 3) Active Stewardship through voting and engagement 4) Monitoring of Principal Adverse Impacts.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The Sub-Fund makes sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets, are invested in shares of companies that are aligned with relevant United Nations Sustainable Development Goals (SDGs). The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 15% of the Sub-Fund's net assets.

As mentioned above, alignment is defined for each investment / investee company by meeting at least one of the following three thresholds:

a) **Products and services:** derive at least 50% of their revenue from goods and services 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

b) **Capital expenditure:** invest at least 30% of their 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee

company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

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

Universe reduction process :

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Companies having an overall START rating of “D” or “E” (rating from "E" to "A") are excluded of the Sub-Fund’s investment universe. Companies having a START rating of E (rating from "E" to "A") on governance pillar are excluded of the Sub-Fund’s investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund’s investment universe. Companies rated “CCC” or "B"on the overall MSCI rating (from “E” to “A”) can reintegrate into the Sub-Fund’s investment universe if START rating is C or above.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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 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.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

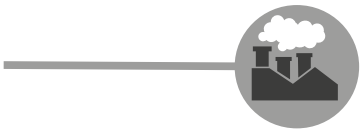
The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The screening process bases its controversy identification on the OECD Business Guidelines and UN Global compact principles and is commonly called Norms-based screening, integrating a strict flagging system 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.

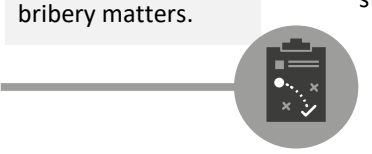


Does this financial product consider principal adverse impacts on sustainability factors?

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.

☒ Yes

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 (chosen 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, 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).
To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.



☐ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The portfolio is actively exposed to the emerging markets through the selection of small and medium capitalisation companies offering long-term return prospects and growth potential. These companies are selected based on their fundamentals and competitive advantages (in particular, the quality of their financial structure, future prospects, market position), together with adjustments linked to its reference market. Geographic or sectorial exposure will result from stock selection.

At least 60% of the Sub-Fund's net assets are invested in equities and other securities issued in the emerging markets from all economic sectors. The Sub-Fund can invest up to 30% of its net assets into Chinese domestic securities (maximum limit including both bonds and equities). Investments in Chinese

equity may be performed, inter alia, via Stock Connect and investment in Chinese bonds, inter alia, directly on the China Interbank Bond Market ("CIBM").

The Sub-Fund adopts a sustainable investment approach using best in universe and best efforts selection process and both positive and negative screening to identify companies with long term sustainable growth criteria. The Sub-Fund makes sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets, are invested 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 are respectively 5% and 15% 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to equity issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 20%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Companies having an overall START rating of “D” or “E” (rating from "E" to "A") are excluded of the Sub-Fund’s investment universe. Companies having a START rating of E (rating from "E" to "A") on governance pillar are excluded of the Sub-Fund’s investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund’s investment universe. Companies rated “CCC” or "B"on the overall MSCI rating (from “E” to “A”) can reintegrate into the Sub-Fund’s investment universe if START rating is C or above.

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.

In exceptionnal circumstances, should this Sub-Fund invest in debt securities (e.g. fixed and/or floating rate bonds) and/or money market instruments, the following environmental and social characteristics would apply: 1) ESG integration through the analysis of issuers on START, 2) Negative screening through our firm-wide exclusions, 3) Active Stewardship through voting and engagement 4) Monitoring of Principal Adverse Impacts.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics are:

- 50% of the Sub-Fund’s net assets are invested in companies that are considered aligned with the United Nations Sustainable Development Goals (as outlined above);
- The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 15% of the Sub-Fund’s net assets;
- The equity investment universe is actively reduced by at least 20%; and
- ESG analysis applied to at least 90% of issuers.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The committed minimum rate of investment universe reduction for equity is 20%.

Good governance practices include sound management structures, employee relations, remuneration of staff ad tax compliance.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

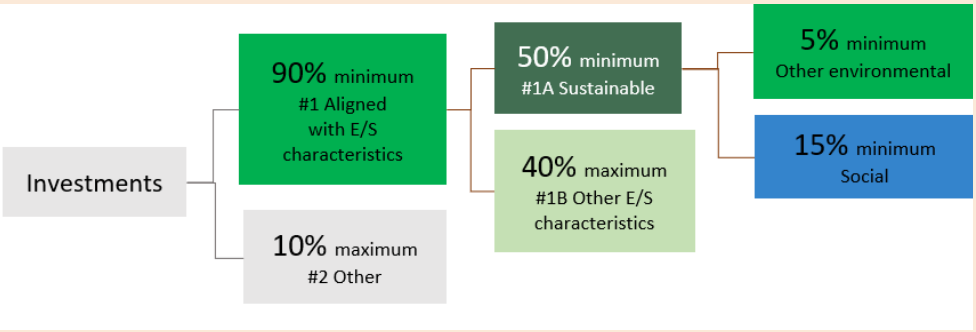
As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:

- Publish a global tax policy that outlines the company’s approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

What is the asset allocation planned for this financial product?

The Sub-Fund makes sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets are invested in shares of companies that are considered aligned with relevant United Nations Sustainable Development Goals. The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 15% 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:** derive at least 50% of their revenue from goods and services 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

b) **Capital expenditure:** invest at least 30% of their 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.

These thresholds represent a significant intentionality of the company in regards to the contributing activity. In rare cases, an operational alignment score assigned to the investee company by the external

scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

Where investments fall outside of the 90% minimum limit incorporating Environmental and Social characteristics, ESG full analysis may not have been performed.

The other investment #2 (in addition to cash and certain derivatives which may be used for hedging purposes, if applicable) are equity investments which are not classified as sustainable investment. They are investments made strictly in accordance with the Sub-Fund's investment strategy and have the purpose of implementing the Sub-Fund's investment strategy. All such investments are made subject to ESG analysis and 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. These instruments are not used to achieve the environmental or social characteristics promoted by the Sub-Fund.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

The Sub-Fund does not use derivatives to attain the environmental or social characteristics it promotes, nor does it use derivatives to attain minimum levels of sustainable investments with environmental and social objectives.

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 companies.

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[4]?

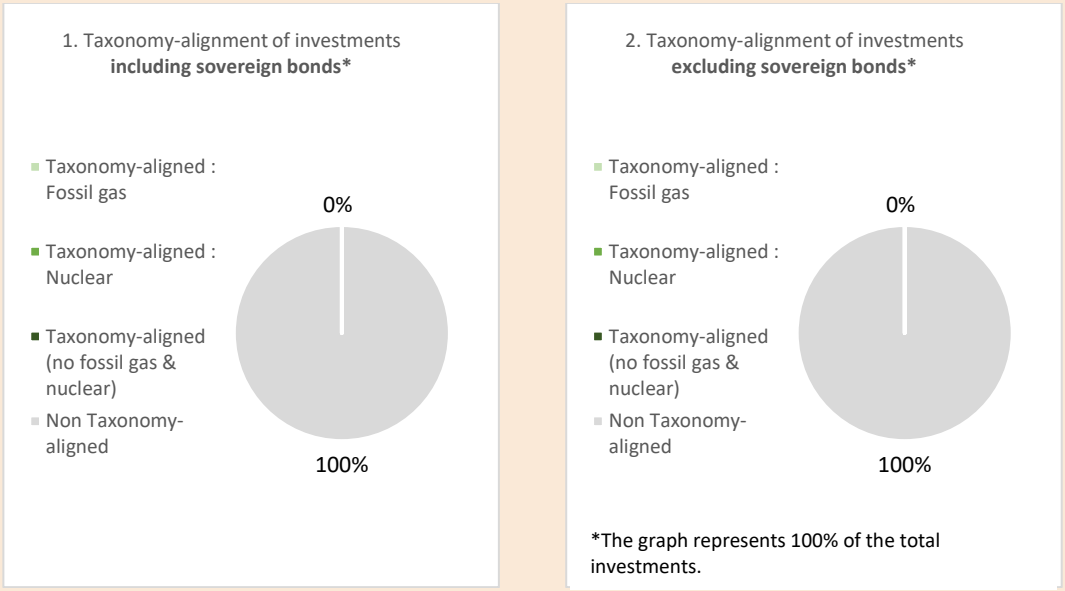
☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

[4] 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.

The two graphs below show in green the minimum percentage of investments that are 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 is the minimum share of investments in transitional and enabling activities?

N/A.

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.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum level of sustainable investments with environmental objectives that are not aligned with the EU taxonomy is 5% of the Sub-Fund's net assets.

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 is the minimum share of socially sustainable investments?

The minimum level of sustainable investments with social objectives is 15% of the Sub-Fund's net assets.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the sub-fund, cash for liquidity management purposes and derivatives.

The Sub-Fund may also be invested, on an ancillary basis, in corporate bonds.

At issuer level (for equities and corporate bonds), non sustainable assets are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy ("norms-based") screening. 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.

Environmental, social and governance considerations are integrated in synthetic instruments through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivatives or index derivatives.

Single name derivatives

Derivatives with a short exposure to a single underlying stock do not go through a additional ESG related checks. The underlying issuer may be present in the Sub-Fund's exclusion lists on the basis that signalling a lack of confidence in a business with poor ESG characteristics through shorting their security(ies) is considered reasonable in the pursuit of balancing shareholders' investment objectives. Such derivatives are not subject to a START rating.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.
- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics, if it is to be held for more than one month:
    - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund's exclusion list.
    - Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund's exclusion list.

In addition, the weighted average ESG rating of the index must be above BBB (MSCI) or C (START), and the ESG coverage of the index (either MSCI or START) must be greater than 90%.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of the sub-fund's assets (excluding cash and derivatives) apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-Funds' assets.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A.

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

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  N/A.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  N/A.

- ***How does the designated index differ from a relevant broad market index?***

  N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.fr/en_GB/funds/carmignac-portfolio-asia-discovery/a-eur-acc/documents-and-reports

ANNEX II

'emplate pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO GLOBAL BOND **Legal entity identifier:** RCK7VRYZJ7OZCCE57Z25

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

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

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.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics by applying best-in-universe and best-efforts approaches to invest in a sustainable manner: 1) ESG integration, 2) Negative screening, 3) Active Stewardship to promote Environment and Social characteristics, 4) Monitoring of Principal Adverse Impacts.

The Sub-Fund has not designated a reference benchmark for the purposes of attaining the environmental and/or social characteristics.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted by the Sub-Fund :

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) , which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) Amount the corporate bond universe is reduced by: the investment universe of the Sub-Fund is composed of the ICE BofAML Global Corporate Index, ICE BofA Global High Yield Index, and ICE BofA Emerging Markets Corporate Plus Index. This amounts to around 2500 corporate issuers (excluding sovereign and quasi-sovereign issuers). This universe is reduced by a minimum of 20% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

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

Prior to reducing the investment universe as described above, the equities and/or corporate bond, as applicable, universes are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of these indices and that of the Sub-Fund's portfolio. Each issuer is re-weighted according to the Sub-Fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalisation (small/mid/large), allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the Sub-Fund's historical weightings over its recommended investment period, considering sector, geography, and capitalisation rotations.

3) 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.

4) Principal adverse impacts: 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 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, 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). Sovereign bond issuers are monitored for Social violations and GHG intensity indicators.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

While the Sub-Fund does not have a minimum percentage of sustainable investments it can make sustainable investments that seek environmental and social benefits such as climate change mitigation and adaptation, and social welfare, through investment in green, social, sustainable and sustainability-linked bonds in corporate or sovereign bonds.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

We use the following mechansims 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 are 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) Sub-Fund specific: Companies having an overall START rating of “D” or “E” (rating from "E" to "A") are excluded of the Sub-Fund’s investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund’s investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund’s investment universe. Companies rated “CCC” or "B"on the overall MSCI rating (from “E” to “A”) can reintegrate into the Sub-Fund’s investment universe if START rating is C or above.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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 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.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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 its investments. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The screening process bases its controversy identification on the OECD Business Guidelines and UN Global compact principles and is commonly called Norms-based screening, integrating a strict flagging system 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.

Does this financial product consider principal adverse impacts on sustainability factors?

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.

☒ Yes Carmignac has committed to apply the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 16 mandatory and 2 optional environmental and social indicators (chosen 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, 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). In addition sovereign bond issuers are monitored for Social violations and GHG intensity indicators.

To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impact of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

☐ No

What investment strategy does this financial product follow?

In order to achieve its investment objective, the Sub-Fund seeks to invest in companies that exhibit strong reinvestment rates and recurrent profitability. In addition, the Sub-Fund adopts a sustainable investment approach using best-in-universe and best-efforts selection process and both positive and negative screening to identify companies with long term sustainable growth criteria.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to corporate bonds issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 20%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

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.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics are:

- Corporate bond investment universe is actively reduced by at least 20%; and
- ESG analysis applied to at least 90% of issuers.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The committed minimum rate of investment universe reduction for corporate bonds is 20%.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

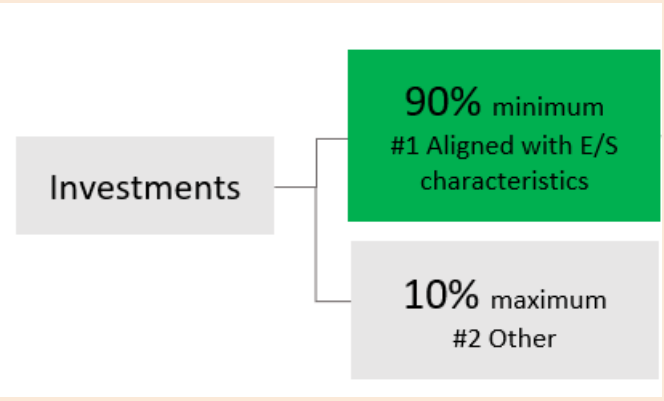
In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:
- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

For sovereign issuers, the following governance criteria are assessed: ease of doing business, fiscal positioning, debt ratio as years of revenue position, current account position, economic freedom.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

A minimum proportion of 90% of the investments of this Sub-Fund is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy.

The #2 Other investments (in addition to cash and certain derivatives which may be used for hedging purposes, if applicable) are corporate bonds or sovereign bonds investments which are not classified as sustainable investment. They are investments made strictly in accordance with the Sub-Fund's investment strategy and have the purpose of implementing the Sub-Fund's investment strategy. All such investments are made subject to ESG analysis (including through our ESG proprietary sovereign model for sovereign bonds) and for equity and corporate bonds 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. These instruments are not used to achieve the environmental or social characteristics promoted by the Sub-Fund.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

The Sub-Fund does not use derivatives to attain the environmental or social characteristics which it promotes.

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[5]?

☐ Yes :

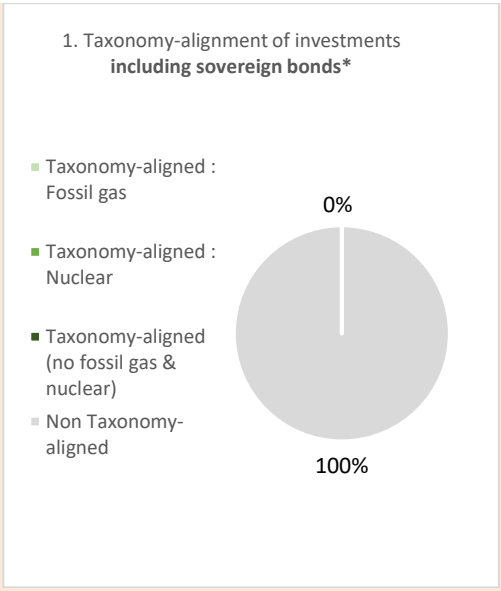
☐ In fossil gas ☐ In nuclear energy

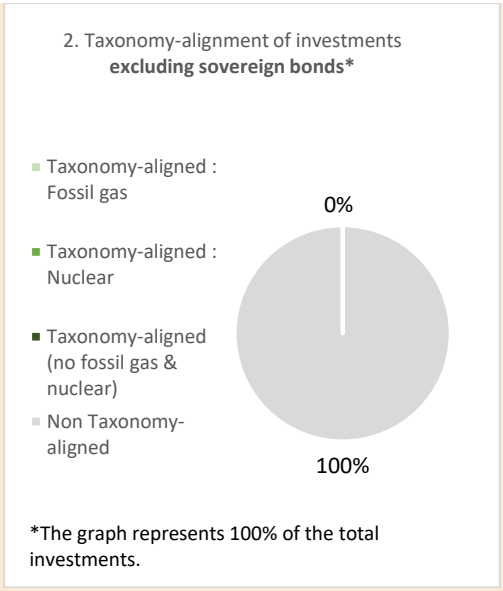
☒ No

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 companies.

The two graphs below show in green the minimum percentage of investments that are 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.

[5] 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.





*The graph represents 100% of the total investments.

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

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.

What is the minimum share of investments in transitional and enabling activities?
N/A.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A.

What is the minimum share of socially sustainable investments?

N/A.

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

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the Sub-fund, cash for liquidity management purposes as well as derivatives.

Environmental, social and governance considerations are integrated in synthetic instruments through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivative or index derivatives.

Single name derivatives

Derivatives with a short exposure to a single underlying security do not go through an additional ESG related checks. The underlying issuer may be present in the Sub-Fund's exclusion lists on the basis that signalling a lack of confidence in a business with poor ESG characteristics through shorting their security(ies) is considered reasonable in the pursuit of balancing shareholders' investment objectives. Such derivatives are not subject to a START rating.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.
- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics, if it is to be held for more than one month :
    - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund's exclusion list.
    - Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund's exclusion list.

In addition, the weighted average ESG rating of the index must be above BBB (MSCI) or C (START), and the ESG coverage of the index (either MSCI or START) must be greater than 90%.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of the sub-fund's assets (excluding cash and derivatives) apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-Funds' assets.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

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

N/A.

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

N/A.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A.

How does the designated index differ from a relevant broad market index?

N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-global-bond/a-eur-acc/fund-overview-and-characteristics

ANNEX II

emplate pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO FLEXIBLE BOND **Legal entity identifier:** 54930044G8FC8L58HS85

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

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

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.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics by applying best-in-universeand best-efforts approaches to invest in a sustainable manner: 1) ESG integration, 2) Negative screening, 3) Active stewardship to promote Environment and Social characteristics, 4) Monitoring of Principal Adverse Impacts.

The Sub-Fund has not designated a reference benchmark for the purposes of attaining the environmental and/or social characteristics.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted by the Sub-Fund:

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), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

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

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) The amount the corporate bond universe is reduced by : the investment universe of the Sub-Fund is composed of the ICE BofAML Global Corporate Index, ICE BofA Global High Yield Index, and ICE BofA Emerging Markets Corporate Plus Index. This amounts to around 2500 corporate issuers (excluding sovereign and quasi-sovereign issuers).This universe is reduced by a minimum of 20% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

Prior to reducing the investment universe as described above, the equities and/or corporate bond, as applicable, universes are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of these indices and that of the Sub-Fund's portfolio. Each issuer is re-weighted according to the Sub-Fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalisation (small/mid/large), allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the Sub-Fund's historical weightings over its recommended investment period, considering sector, geography, and capitalisation rotations.

The universe reduction process and the starting universe only applies to corporate debt excluding sovereign issuers and quasi sovereign issues.

3) 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.

4) Principal adverse impacts: 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 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, 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). Sovereign bond issuers are monitored for Social violations and GHG intensity indicators.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

While the Sub-Fund does not have a minimum percentage of sustainable investments it can make sustainable investments that seek environmental and social benefits such as climate change mitigation and adaptation, and social welfare, through investment in green, social, sustainable and sustainability-linked bonds in corporate or sovereign bonds.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

We use the following mechansims 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 are 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) Sub-Fund specific: Companies having an overall START rating of “D” or “E” (rating from "E" to "A") are excluded of the Sub-Fund’s investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund’s investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund’s investment universe. Companies rated “CCC” or "B"on the overall MSCI rating (from “E” to “A”) can reintegrate into the Sub-Fund’s investment universe if START rating is C or above.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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 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.

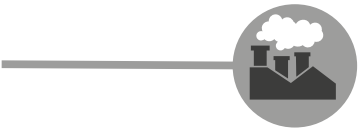
How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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 its investments. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The screening process bases its controversy identification on the OECD Business Guidelines and UN Global compact principles and is commonly called Norms-based screening, integrating a strict flagging system 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.



Does this financial product consider principal adverse impacts on sustainability factors?

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.

☒ Yes

Carmignac has committed to apply the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 16 mandatory and 2 optional environmental and social indicators (chosen 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, 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). In addition sovereign bond issuers are monitored for Social violations and GHG intensity indicators.
To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

☐ No

What investment strategy does this financial product follow?

The Sub-Fund employs a flexible fixed income investment strategy that aims to take advantage of the variety and diversity of investment opportunities across the fixed income universe globally. The portfolio is managed with a total return mindset to participate in rising markets, while implementing a defensive approach, by hedging the portfolio to market risks, in declining markets. The Sub-Fund may invest in euro and non-euro denominated debt securities. The currency risk resulting from non-euro denominated investments will typically be hedged to euro. The Sub-Fund implements a fundamental top-down approach, which reflects the investment team's views and predictions, through a fundamental global macroeconomic analysis, complemented by a bottom-up approach, which reflects the investment manager's strongest convictions on fixed income markets. The Sub- Fund can explore the full spectrum of the fixed income universe, and may invest across all segments globally, including sovereign debt (developed and emerging markets), credit (investment grade, high yield, financials and convertibles) and money market instruments.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to corporate bond issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 20%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

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.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics are:

- Corporate bond Investment universe is actively reduced by at least 20%; and
- ESG analysis applied to at least 90% of issuers.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The committed minimum rate of investment universe reduction for corporate bonds is 20%.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

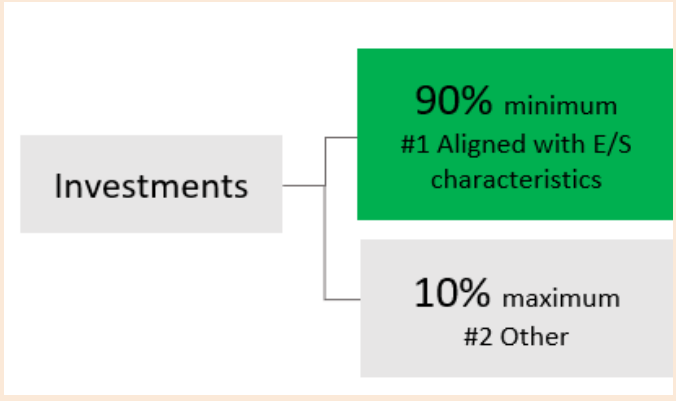
As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:
- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

For sovereign issuers, the following governance criteria are assessed: ease of doing business, fiscal positioning, debt ratio as years of revenue position, current account position, economic freedom.

What is the asset allocation planned for this financial product?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

A minimum proportion of 90% of the investments of this Sub-Fund is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy.

The #2 Other investments (in additional to cash and certain derivatives which may be used for hedging purposes, if applicable) are corporate bonds or sovereign bonds investments which are not classified as sustainable investment. They are investments made strictly in accordance with the Sub-Fund's investment strategy and have the purpose of implementing the Sub-Fund's investment strategy. All such investments are made subject to ESG analysis (including through our ESG proprietary sovereign model for sovereign bonds) and for equity and corporate bonds 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. These instruments are not used to achieve the environmental or social characteristics promoted by the Sub-Fund.

Asset allocation describes the share of investments in specific assets.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

The Sub-Fund does not use derivatives to attain the environmental or social characteristics it promotes.

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[6]?

☐ Yes :

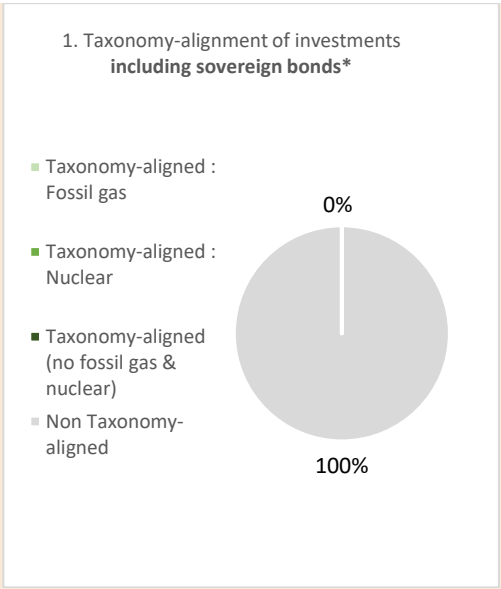
☐ In fossil gas ☐ In nuclear energy

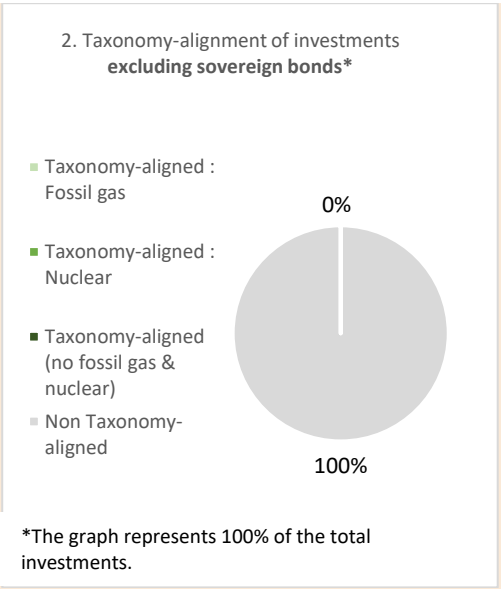
☒ No

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 companies.

The two graphs below show in green the minimum percentage of investments that are 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.

[6] 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.





*The graph represents 100% of the total investments.

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

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.

What is the minimum share of investments in transitional and enabling activities?

N/A.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A.

What is the minimum share of socially sustainable investments?

N/A.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the Sub-fund, cash for liquidity management purposes as well as derivatives.

Environmental, social and governance considerations are integrated in synthetic instruments through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivatives or index derivatives.

Single name derivatives

The Sub-Fund may enter into derivatives with a short exposure to a single underlying security ("single name") only for hedging purposes, i.e. covering the long exposure on that same company or issuer. Net short positions, i.e. situations where the short exposure on the underlying company or issuer is greater

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

that the long exposure of the Sub-Fund on that same copany or issuer, are prohibited. The use of short derivatives for purposes other than hedging is prohibited.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.
- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics, if it is to be held for more than one month and less than twelve months:
    - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund's exclusion list.
    - Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund's exclusion list.

In addition, the weighted average ESG rating of the index must be above BBB (MSCI) or C (START), and the ESG coverage of the index (either MSCI or START) must be greater than 90%.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of the sub-fund's assets (excluding cash and derivatives) apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-Funds' assets.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

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

N/A.

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

N/A.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A.

- ***How does the designated index differ from a relevant broad market index?***

N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-flexible-bond/a-eur-acc/fund-overview-and-characteristics

ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO EMERGING PATRIMOINE **Legal entity identifier:** 5493009DHKYYWDKLT418

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

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

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.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics by applying best-in-universe and best-effort approaches to invest in a sustainable manner: 1) ESG integration, 2) Negative screening, 3) Positive screening applying a UN SDG alignment approach, 4) Active Stewardship to promote Environment and Social characteristics, 5) Monitoring of Principal Adverse Impacts.

The Sub-Fund has not designated a reference benchmark for the purposes of attaining the environmental and/or social characteristics.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted by the Sub-Fund :

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

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), which includes internal and external ESG ratings, is applied to more than 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) The amount the universe is reduced by : the investment universe of the Sub-Fund for the purposes of universe reduction is composed, for equities, of 3,000 listed Emerging market stocks with over 1 billion euro market capitalisation and, for corporate bonds, of the ICE BofA Emerging Markets Corporate Bond index (excluding sovereign and quasi-sovereign issuers). This universe is reduced by a minimum of 20% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, thermal coal mining, companies involved in factory farming, palm oil and companies on the People for the Ethical Treatment of Animals ("PETA") list. In addition, corporate bonds with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

The equity universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above.

The universe reduction process and the starting universe only applies to corporate debt excluding sovereign issuers and quasi sovereign issues.

3) **Positive screening (Sustainable Investments):** the Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested in shares of companies that are considered aligned with relevant United Nations Susainable Development Goals. The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% 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 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

b) **Capital expenditure:** the company invest at least 30% of their 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

Further information on the methodologies:

Firstly, in order to determine which investee companies are aligned to the SDGs for Products and Services and Capital expenditure, we have identified a robust business classification system and mapped 1700 different business activities. In addition, we have used the SDG Compass, a resource created by GRI, the UN Global Compact and the World Business Council for Sustainable Development to identify business activities which contributed to each SDG. Furthermore, we created Carmignac 'investable themes' based upon the business activities. Based on these themes, we have filtered through each business activity in the classification system, aligning the appropriate business activities with Carmignac's 'investable themes' and using the SDG targets to verify suitability. This was reviewed by members of the Sustainable Investment (SI) and Investment team.

Secondly, in order to determine which investee companies are aligned to the SDGs for Operations, we use an external scoring methodology to create an indicative operational alignment screen. Each investee company is assessed on each of the 17 SDGs and their performance is rated from -10 to +10 for each SDG. To calculate this score, for each SDG, there are (1) Positive indicators linked to evidence of policies, initiatives and targets with specific KPIs which result in positive additions to the scores, (2) Negative indicators, linked to controversies or adverse impacts which results in negative subtractions to the score and (3) Performance indicators which assess trajectory of performance which can be additive or negative for the score. The above three assessments are aggregated into a final score for each SDG between the aforementioned -10 to + 10 range. This means that each company has 17 scores, one for each SDG, between -10 and +10.
The entire range scale is divided into five result categories as follows:

- >5.0: Strongly Aligned
- Score between 2.0 and 5.0, inclusive: Aligned
- Score less than 2.0 but higher than (-2.0): Neutral
- Score equal to or less than (-2.0) but higher than (-10): Misaligned
- Score equal to (-10): Strongly Misaligned

Once the threshold for alignment for the Products and Services, Capital expenditure or Operational is met, the full weight of the holding is considered aligned.

4) 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.

5) Principal adverse impacts: 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 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, 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). Sovereign bond issuers are monitored for Social violations and GHG intensity indicators.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets, are invested in shares of companies that are aligned with relevant United Nations Sustainable Development Goals (SDGs). The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% of the Sub-Fund's net assets.

As mentioned above, 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 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

b) **Capital expenditure:** the company invest at least 30% of their 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.

These thresholds represent a significant intentionality of the company in regards to the contributing activity. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

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

1) Universe reduction process (minimum 20%):

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, thermal coal mining, companies involved in factory farming, palm oil and companies on the People for the Ethical Treatment of Animals ("PETA") list . In addition, corporate bonds with an overall START rating of “D” or “E” (rating from "E" to "A") are excluded of the Sub-Fund’s investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund’s investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund’s investment universe. Companies rated “CCC” or "B"on the overall MSCI rating (from “E” to “A”) can reintegrate into the Sub-Fund’s investment universe if START rating is C or above.The equity universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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 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.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The screening process bases its controversy identification on the OECD Business Guidelines and UN Global compact principles and is commonly called Norms-based screening, integrating a strict flagging system monitored and measured through Carmignac's proprietary ESG system START. A company controversy scoring and research is applied using data extracted from ISS Ethix as the research data base.

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.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

Carmignac has committed to apply the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 16 mandatory and 2 optional environmental and social indicators (chosen 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, 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). In addition sovereign bond issuers are monitored for Social violations and GHG intensity indicators.
To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. This info will be disclosed in annual reports.

☐ No

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

This Sub-Fund invests mainly in equities and debt securities of emerging markets or those issued by companies/issuers that have their registered office or carry out the bulk of their business in emerging markets).
The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested 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 are respectively 1% and 3% 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score._For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to equity issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 20%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, thermal coal mining, palm oil, companies involved in factory farming, and companies on the People for the Ethical Treatment of Animals ("PETA") list . In addition, corporate bonds with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment

universe if START rating is C or above. The equity universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above.

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.

Portfolio climate targets: The Sub-Fund has portfolio climate targets to reduce its greenhouse gas ("GHG") emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund's portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics are :

- 10% of the Sub-Fund's net assets are invested in sustainable investments aligned positively with the United Nations Sustainable Development Goals (as outlined above);
- The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% of the Sub-Fund's net assets;
- The equity and corporate bond investment universe is actively reduced by at least 20%; and
- ESG analysis applied to at least 90% of issuers.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The committed minimum rate of investment universe reduction for equity and corporate bonds is 20%.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

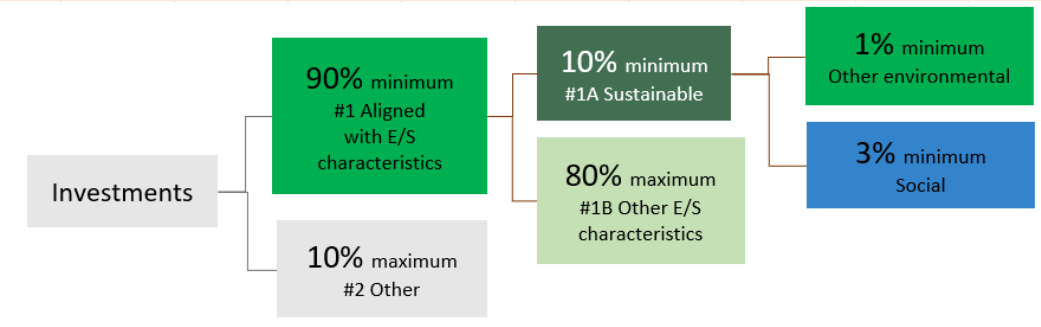
As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:

- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

For sovereign issuers, the following governance criteria are assessed: ease of doing business, fiscal positioning, debt ratio as years of revenue position, current account position, economic freedom.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?

A minimum proportion of 90% of the investments of this Sub-Fund is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy.

Minimum Proportion of sustainable investments:
The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets invested in shares of companies that are considered aligned with relevant United Nations Sustainable Development Goals ("the SDGs"). Outside the 50% minimum sustainable investments, investments may be made in companies that have less than 50% revenue alignment or no alignment with the one of the SDGs . The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% of the Sub-Fund's net assets.

The #2 Other investments (in additional to cash and certain derivatives which may be used for hedging purposes, if applicable) are equity, corporate bonds or sovereign bonds investments which are not classified as sustainable investment. They are investments made strictly in accordance with the Sub-Fund's investment strategy and have the purpose of implementing the Sub-Fund's investment strategy. All such investments are made subject to ESG analysis (including through our ESG proprietary sovereign model for sovereign bonds) and for equity and corporate bonds 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. These instruments are not used to achieve the environmental or social characteristics promoted by the Sub-Fund.

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 companies.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

The Sub-Fund does not use derivatives to attain the environmental or social characteristics it promotes, nor does it use derivatives to attain minimum levels of sustainable investments with environmental and social objectives.

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

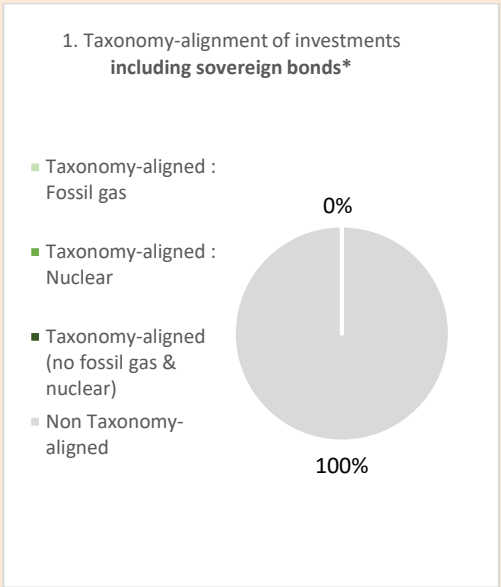
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[7]?

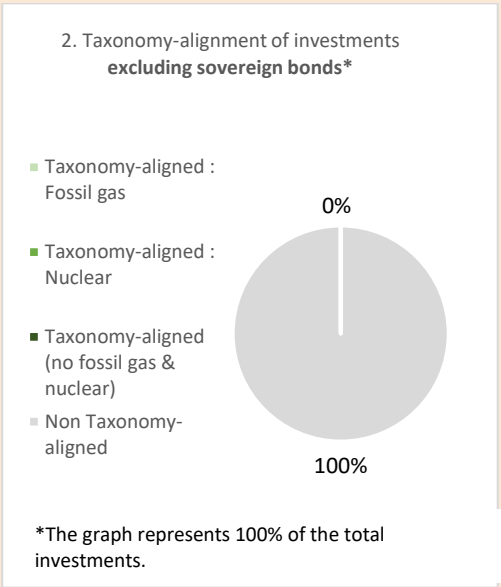
☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are 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.





*The graph represents 100% of the total investments.

[7] 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.

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

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 is the minimum share of investments in transitional and enabling activities?

As the Sub-fund does not have a minimum Taxonomy alignment there is no current minimum share of transitional and enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum level of sustainable investments with environmental objectives that are not aligned with the EU taxonomy is 1% of the Sub-Fund's net assets.

What is the minimum share of socially sustainable investments?

The minimum level of sustainable investments with social objectives is 3% of the Sub-Fund's net assets.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the sub-fund, cash for liquidity management purposes and derivatives.

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.

At issuer level (for equities and corporate bonds), all assets are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy ("norms-based") screening. 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.

Environmental, social and governance considerations are integrated in synthetic instruments through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivatives or index derivatives.

Single name derivatives

The Sub-Fund may enter into derivatives with a short exposure to a single underlying security ("single name") only for hedging purposes, i.e. covering the long exposure on that same company or issuer. Net short positions, i.e. situations where the short exposure on the underlying company or issuer is greater that the long exposure of the Sub-Fund on that same copany or issuer, are prohibited. The use of short derivatives for purposes other than hedging is prohibited.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.
- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics, if it is to be held for more than one month and less than twelve months:
    - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund's exclusion list.
    - Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund's exclusion list.

In addition, the weighted average ESG rating of the index must be above BBB (MSCI) or C (START), and the ESG coverage of the index (either MSCI or START) must be greater than 90%.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of the sub-fund's assets (excluding cash and derivatives) apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-Funds' assets.

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

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  N/A.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  N/A.

- ***How does the designated index differ from a relevant broad market index?***

  N/A.

Where can the methodology used for the calculation of the designated index be found?

N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-emerging-patrimoine/a-eur-acc/fund-overview-and-characteristics

ANNEX III

Template pre-contractual 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

Product name: CARMIGNAC PORTFOLIO EMERGENTS **Legal entity identifier:** 549300XCIILC6GUC6Q37

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It will make a minimum of **sustainable investments with an environmental objective:** 5%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It will make a minimum of **sustainable investments with a social objective:** 35%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

What is the sustainable investment objective of this financial product?

The Sub-Fund's sustainable objective is to invest at least 80% of the Sub-Fund's 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 are respectively 5% and 35% 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

Further information on the methodologies:

Firstly, in order to determine which investee companies are aligned to the SDGs for Products and Services and Capital expenditure, we have identified a robust business classification system and mapped 1700 different business activities. In addition, we have used the SDG Compass, a resource created by GRI, the UN Global Compact and the World Business Council for Sustainable Development to identify business activities which contributed to each SDG. In addition, we created Carmignac 'investable themes' based upon the business activities. Based on these themes, we have filtered through each business activity in the classification system, aligning the appropriate business activities with Carmignac's 'investable themes' and using the SDG targets to verify suitability. This was reviewed by members of the Sustainable Investment (SI) and Investment team.

Secondly, in order to determine which investee companies are aligned to the SDGs for Operations, we use an external scoring methodology to create an indicative operational alignment screen. Each investee company is assessed on each of the 17 SDGs and their performance is rated from -10 to +10 for each SDG. To calculate this score, for each SDG, there are (1) Positive indicators linked to evidence of policies, initiatives and targets with specific KPIs which result in positive additions to the scores, (2) Negative indicators, linked to controversies or adverse impacts which results in negative subtractions to the score and (3) Performance indicators which assess trajectory of performance which can be additive or negative for the score. The above three assessments are aggregated into a final score for each SDG between the aforementioned -10 to + 10 range. This means that each company has 17 scores, one for each SDG, between -10 and +10.
The entire range scale for operational alignment is divided into five result categories as follows:

- >5.0: Strongly Aligned
- Score between 2.0 and 5.0, inclusive: Aligned
- Score less than 2.0 but higher than (-2.0): Neutral
- Score equal to or less than (-2.0) but higher than (-10): Misaligned
- Score equal to (-10): Strongly Misaligned

Once the threshold for alignment for the Products and Services, Capital expenditure or Operational is met, the full weight of the holding is considered aligned.

In addition, 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 but aims to achieve carbon emissions 50% lower than its reference indicator (MSCI EM NR Index), measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

The Sub-Fund has not designated a reference benchmark for the purposes of showing the attainment of the sustainable investment objective. The objective is an absolute target to invest 80% of net assets into companies on a continuous basis that are aligned to one of the aforementioned relevant SDGs according to the predefined revenue, capital expenditure or operational alignment thresholds..

The attainment of the sustainable objective is ensured on a continuous basis through monitoring and controls and will be published monthly on the Sub-Fund's webpage.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

This Sub-Fund uses 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), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

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

2) The amount the universe is reduced by: the investment universe of the Sub-Fund for universe reduction purposes is composed of listed equities or emerging markets issuers, with a market capitalisation above EUR 1 billion. This universe is reduced by a minimum of 25% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund-specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, thermal coal mining, palm oil, airlines, companies involved in factory farming, and companies on the People for the Ethical Treatment of Animals ("PETA") list. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above, and by companies rated "E" or "D" in START.

Prior to reducing the investment universe as described above, the equities and corporate bond universes are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of the indices making up these universes and that of the Fund's portfolio. Each issuer is re-weighted according to the fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalization (small/mid/large)) allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the fund's historical weightings over the last 5 years, considering sector, geography, and capitalization rotations.

3) Minimum of Sustainable investments: the Sub-Fund makes sustainable investments whereby a minimum of 80% of the Sub-Fund's net assets, which align positively with relevant United Nations SDGs. The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 35% of the Sub-Fund's net assets.

4) 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.

5) Low-carbon intensity target: the Sub-fund aims in the equity and corporate bond part of the portfolio to achieve a carbon emissions profile that is 50% lower than its reference indicator (MSCI EM NR Index) measured monthly by carbon intensity (tCO2/ mEUR revenue); aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

6) Principal adverse impacts: 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 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, 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).

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

We use the following mechansims 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 are 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) Sub-Fund-specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, thermal coal mining, palm oil, airlines, companies involved in factory farming, and companies on the People for the Ethical Treatment of Animals ("PETA") list. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above, and by companies rated "E" or "D" in START.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team concerned, 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 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.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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 its investments. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The screening process bases its controversy identification on the OECD Business Guidelines and UN Global compact principles and is commonly called Norms-based screening, integrating a strict flagging system 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.

Does this financial product consider principal adverse impacts on sustainability factors?

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.

✖ Yes

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 (chosen 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, 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).

To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1 RTS), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

☐ No

What investment strategy does this financial product follow?

This Sub-Fund invests mainly in equities from emerging markets. At least 60% of the Sub-Fund's net assets are exposed to equity markets, with no restriction on regions or types of capitalisation. Up to 40% may be invested in bonds, negotiable debt securities and money market instruments. At least two thirds of the issuers of equities and bonds held by the Sub-Fund have their registered office, conduct the majority of their business, or have business development prospects in emerging, including frontier, countries. The Sub-Fund can invest up to 30% of its net assets into Chinese domestic securities (maximum limit including both bonds and equities). Investments in China may be performed, inter alia, directly on the China Interbank Bond Market ("CIBM").

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The Sub-Fund adopts a sustainable investment approach using best in universe and best efforts selection process and both positive and negative screening to identify companies with long term sustainable growth criteria. The Sub-Fund makes sustainable investments whereby a minimum of 80% of the Sub-Fund's net assets, are invested 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 are respectively 5% and 35% 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to equity issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 25%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, thermal coal mining, palm oil, airlines, companies involved in factory farming, and companies on the People for the Ethical Treatment of Animals ("PETA") list. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above, and by companies rated "E" or "D" in START.

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.

Portfolio climate targets: The Sub-Fund has portfolio climate targets to reduce its greenhouse gas ("GHG") emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund's portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

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 reductionbut aims to achieve carbon emissions 50% lower than its reference indicator (MSCI EM NR Index), measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

Additional KPIs: In order to comply with the requirements of the French ISR Label; the sub-fund aims to achieve a lower GHG intensity (as defined in the Principal Adverse Impact (PAI) indicators) and a higher SDG alignment than its reference indicator.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The binding elements of the investment strategy used to select the investments to attain the sustainable investment objective are:

- 80% of the Sub-Fund's net assets are invested in sustainable investments aligned positively with the United Nations Sustainable Development Goals (as outlined above);
- The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 35% of the Sub-Fund's net assets;
- Equity investment universe is actively reduced by at least 25%;
- The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment;
- ESG analysis applied to at least 90% of issuers; and
- carbon emissions 50% lower than the reference indicator as measured by carbon intensity.

What is the policy to assess good governance practices of the investee companies?

Good governance practices include sound management structures, employee relations, remuneration of staff ad tax compliance.

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

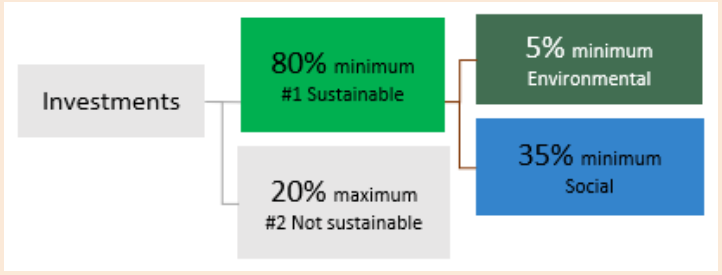
In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:

- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.



#1 Sustainable covers sustainable investments with environmental or social objectives.
#2 Not sustainable includes investments which do not qualify as sustainable investments.

A minimum proportion of 80% of this Sub-Fund's net asset is used to meet the sustainable objective of the Sub-Fund in accordance with the binding elements of the investment strategy.

The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 35% of the Sub-Fund's net assets.

The "#2 Not sustainable investments" include cash and derivative instruments, which may be used for hedging purposes, if applicable. These instruments are not used to achieve the sustainable objective of the Sub-Fund.

How does the use of derivatives attain the sustainable investment objective?

For attaining its sustainable objective, the Sub-Fund may invest directly in shares of companies, or use derivatives to achieve synthetic exposure to such companies and indices. In the case where single names derivatives are used for purposes other than hedging; i.e. investment purposes (to achieve synthetic exposure), the single security derivatives must be aligned with the SDGs, described above and included in our sustainable investment definition, for physical long positions.

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

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 companies.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[8]?

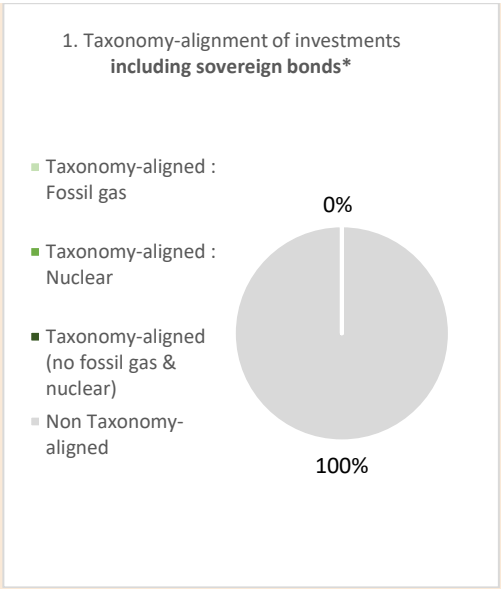
☐ Yes :

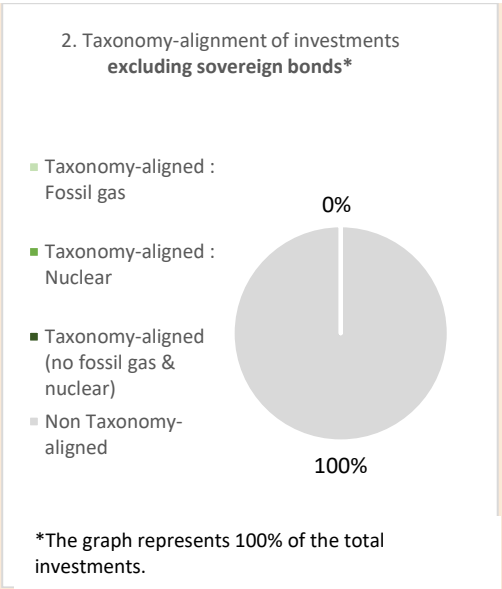
☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are 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.

[8] 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.





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

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 ad among others have greenhouse gas emission levels corresponding to the best performance.

What is the minimum share of investments in transitional and enabling activities?
As the Sub-fund does not have a minimum Taxonomy alignment there is no current minimum share of transitional and enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum level of sustainable investments with environmental objectives that are not aligned with the EU Taxonomy is 5% of the Sub-Fund's equity assets.

What is the minimum share of sustainable investments with a social objective?

The minimum level of sustainable investments with social objectives is 35% of the Sub-Fund's net assets.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

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

Environmental, social and governance considerations into synthetic exposure have been integrated through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivative or index derivatives.

Single name derivatives

The Sub-Fund may enter into derivatives with a short exposure to a single underlying security ("single name") only for hedging purposes, i.e. covering the long exposure on that same issuer. Net short positions, i.e. situations where the short exposure on the underlying issuer is greater that the long exposure of the Sub-Fund on that same issuer, are prohibited. The use of short derivatives for purposes other than hedging is prohibited.

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

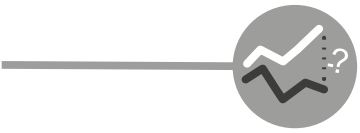
Index derivatives

Index derivatives purchased for hedging purposes are not analysed for ESG purposes.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

To the extent that the Sub-Fund may enter into short positions using derivatives, the Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

The investments included under "#2 Not sustainable" abide by our firm-wide negative screening framework for minimum safeguards.



Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

N/A.

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

N/A.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A.

- ***How does the designated index differ from a relevant broad market index*?**

N/A.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

N/A.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A.

- ***How does the designated index differ from a relevant broad market index*?**

N/A.

Where can the methodology used for the calculation of the designated index be found?

N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-emergents/a-eur-acc/fund-overview-and-characteristics

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO LONG-SHORT EUROPEAN EQUITIES **Legal entity identifier:** 549300AX6ZJ3CNKJN243

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

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.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics by applying best-in-universe and best-effort approaches to invest in a sustainable manner: 1) ESG integration, 2) Negative screening, 3) Active Stewardship to promote Environment and Social characteristics, 4) Low-carbon intensity target, 5) Monitoring of Principal Adverse Impacts.

The Sub-Fund has not designated a reference benchmark for the purposes of attaining the environmental and/or social characteristics.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted by the Sub-Fund :

1) The coverage rate of ESG analysis: ESG integration through ESG scoring using White Creek Capital LLP's ("White Creek") ESG analysis, which includes internal and external ESG ratings, is applied to at least 90% of the long equity portfolio.

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

2) Amount the equities portfolio universe is reduced: the initial investment universe for the purposes of universe reduction is defined as listed European equities with a market capitalisation above EUR 250 million, which amounts to around 2000-2500 stocks.

i) Ethical: Negative screening and exclusions of unsustainable activities and practices are 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, (g) oil and gas extraction, (h) weapons and (i) gambling.

ii) Governance and Environmental: The Sub-Fund's long equity positions with an Integrum rating below 2 (rating from "0" to "4") on governance pillar or having Carbon Emissions above 168 tCO2/mEUR are a priori excluded of the Sub-Fund's investment universe.

iii) Reintegration: Companies rated between "A" and "C" on the White Creek's ESG scoring process (rating from "E" to "A") may be reintegrated into the Sub-Fund's investment universe after an ad-hoc analysis which requires Risk Committee approval, and may invovle an engagement with the company.

Prior to reducing the investment universe as described above, the equities and/or corporate bond, as applicable, universes are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of these indices and that of the Sub-Fund's portfolio. Each issuer is re-weighted according to the Sub-Fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalisation (small/mid/large), allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the Sub-Fund's historical weightings over its recommended investment period, considering sector, geography, and capitalisation rotations.

3) 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.

4) Low-carbon intensity target: The Sub-Fund aims in the equity and corporate bond part of the portfolio to achieve carbon emissions 30% lower than its designated composite reference indicator (75% MSCI Europe NR index and 25% S&P 500 index), general market index, measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

5) Principal adverse impacts: 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 will be monitored at the portfolio level to show the impact of 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).

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

N/A. The Sub-Fund does not commit to make sustainable investments.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

N/A.

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

N/A.

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

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

N/A.

Does this financial product consider principal adverse impacts on sustainability factors?

✖ Yes

The Sub-Fund 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 at the portfolio level 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).

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.

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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. Engagement with companies is tracked by the investment team and monitored quarterly to ensure progress is made. Disinvestment may be considered with a predetermined exit strategy within the confines of this aforementioned policy.

To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company.

☐ No

What investment strategy does this financial product follow?

In order to achieve its investment objective, the Sub-Funds implements a fundamentally driven long/short equity strategy. This strategy consists in building up a portfolio of both long and short positions on financial instruments eligible to the Sub-Fund's investment. The Sub-Fund invests at least 50% of its net assets in equities of companies domiciled in the European Economic Area. The remainder may be invested, directly or indirectly, in equities of issuers from outside the European Economic Area.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities using inputs from third-party providers including Integrum, and internal reasearch. This applies to long equity positions. The Environmental, Social and Governance analysis is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced.

Universe reduction process:

i) Sector and norms-based screening: Negative screening and exclusions of unsustainable activities and practices are 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, (g) oil and gas extraction, (h) weapons and (i) gambling.

ii) Governance and Environmental: The Sub-Fund's long equity positions with an Integrum rating below 2 (rating from "0" to "4") on governance pillar or having Carbon Emissions above 168 tCO2/mEUR are a priori excluded of the Sub-Fund's investment universe.

iii) Reintegration: Companies rated between "A" and "C" on the White Creek's ESG scoring process (rating from "E" to "A") may be are reintegrated into the Sub-Fund's investment universe after an ad-hoc analysis which which requires Risk Committee approval, and may involve an engagement with the company.

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.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The Sub-fund aims in the equity and corporate bond part of the portfolio to achieve carbon emissions 30% lower than its designated composite reference indicator (75% MSCI Europe NR index and 25% S&P 500 index), general market index, measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product are :

- ESG analysis applied to at least 90% of the long equity portfolio;
- Long Equity portfolio universe is actively reduced; and
- 30% of carbon emission lower than the aforementioned composite benchmark as measured by carbon intensity.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

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 companies.

The Sub-fund does not commit a minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy.

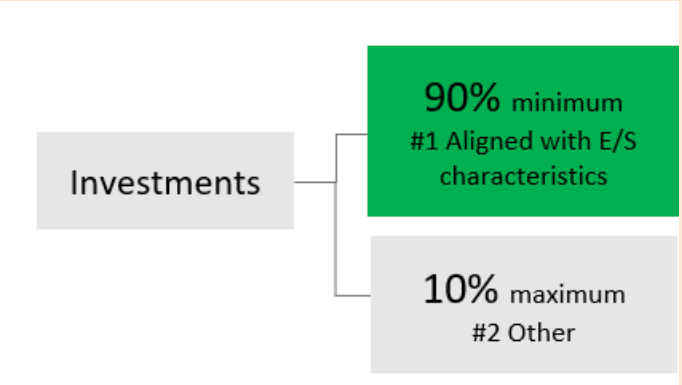
What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund excludes companies with low Governance scores. The Integrum Governance pillar scores are used in this process. Integrum Governance scores are calculated using 9 metrics (Management Process, Board Composition, Risk Management, Community Engagement, Audit, Remuneration Allignment, Remuneration Balance, Director Contracts, Shareholder Dillution Risk) and 39 sub-metrics. Governance data is collected from public company disclosures. Integrum Governance scores are on a scale of 0-4 where 4 is the best. The Sub-Fund invests in companies that score at least a 2. Any overrides to the Integrum Governance score must be presented to the Risk Committee with justification for approval.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

A minimum proportion of 90% of the investments in the long equity portion of the portfolio of this Sub-Fund is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The #2 Other investments are long equity investments which are not used to achieve the environmental or social characteristics promoted by the Sub-Fund promote environmental or social characteristics. They are investments made strictly in accordance with the Sub-Fund's investment strategy and have the purpose of implementing the Sub-Fund's investment strategy.
All such 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.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

The Sub-Fund does not use derivatives to attain the environmental or social characteristics it promotes.

What is the minimum share of investments in transitional and enabling activities?

N/A.

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

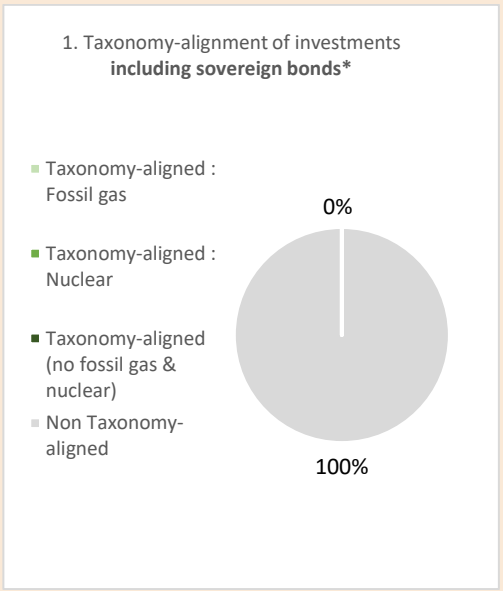
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[9]?

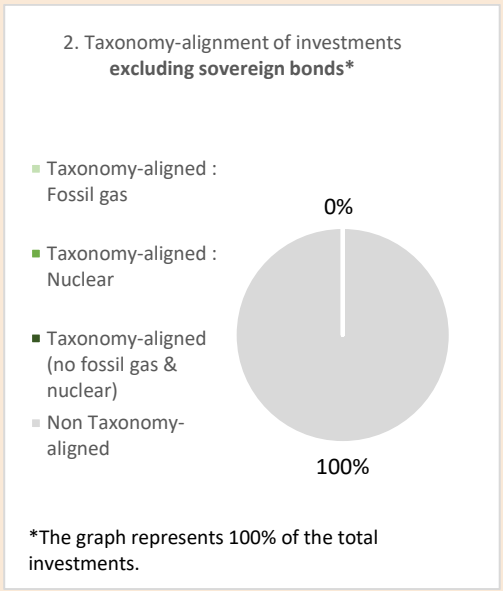
☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are 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*

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

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.

What is the minimum share of socially sustainable investments?

N/A.

[9] 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.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the Sub-fund, cash for liquidity management purposes as well as derivatives.

At issuer level (for equities and corporate bonds), all assets are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy ("norms-based") screening. 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.

Environmental, social and governance considerations are integrated in synthetic instruments through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivatives or index derivatives.

Single name derivatives

Derivatives with a short exposure to a single underlying security do not go through any additional ESG related checks. The underlying issuer may be present in the Sub-Fund's exclusion lists on the basis that signalling a lack of confidence in a business with poor ESG characteristics through shorting their security(ies) is considered reasonable in the pursuit of balancing shareholders' investment objectives. Such derivatives are not subject to a White Creek ESG rating.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.
- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics, if it is to be held for more than one month :
    - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund's exclusion list.
    - Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund's exclusion list.

In addition, the weighted average ESG rating of the index must be above C (Integrum ESG and White Creek), and the ESG coverage of the index (either Integrum ESG or White Creek) must be greater than 90%.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of the sub-fund's assets (excluding cash and derivatives) apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-Funds' assets.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A.

- ***How does the designated index differ from a relevant broad market index?***

N/A.

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

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-long-short-european-equities/f-eur-acc/fund-overview-and-characteristics

ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO INVESTISSEMENT **Legal entity identifier:** 5493001UQQGPERC77586

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 50 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective 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	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

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.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics by applying best-in-universe and best-effort approaches to invests in a sustainable manner: 1) ESG integration, 2) Negative screening, 3) Positive screening applying a UN SDG alignment approach, 4) Active Stewardship to promote Environment and Social characteristics, 5) Monitoring of Principal Adverse Impacts.

The Sub-Fund has not designated a reference benchmark for the purposes of attaining the environmental and/or social characteristics.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted by the Sub-Fund :

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), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

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

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) The amount the universe is reduced by : The initial investment universe is MSCI ACWI index. This universe is reduced by a minimum of 20% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

Prior to reducing the investment universe as described above, the equities and/or corporate bond, as applicable, universes are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of these indices and that of the Sub-Fund's portfolio. Each issuer is re-weighted according to the Sub-Fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalisation (small/mid/large), allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the Sub-Fund's historical weightings over its recommended investment period, considering sector, geography, and capitalisation rotations.

3) **Positive screening (Sustainable Investments):** the Sub-Fund makes sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets are invested in shares of companies that are considered aligned with relevant SDGs. The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 15% 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:** derive at least 50% of their revenue from goods and services 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

b) **Capital expenditure:** invest at least 30% of their 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.

These thresholds represent a significant intentionality of the company in regards to the contributing activity. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

Further information on the methodologies:

Firstly, in order to determine which companies are aligned for Products and Services and Capital Expenditure, we have identified a robust business classification system and mapped 1700 different business activities. In addition, we have used the SDG Compass, a resource created by GRI, the UN Global Compact and the World Business Council for Sustainable Development to identify business activities which contributed to each SDG. Furthermore, we created Carmignac 'investable themes' based upon the business activities. Based on these themes, we have filtered through each business activity in the classification system, aligning the appropriate business activities with Carmignac's 'investable themes' and using the SDG targets to verify suitability. This was reviewed by members of the Sustainable Investment (SI) and Investment team.

Secondly, in order to determine which companies are aligned for Operations, we use an external scoring methodology to create an indicative operational alignment screen. Each investee company is assessed on each of the 17 SDGs and their performance is rated from -10 to +10 for each SDG. To calculate this score, for each SDG, there are (1) Positive indicators linked to evidence of policies, initiatives and targets with specific KPIs which result in positive additions to the scores, (2) Negative indicators, linked to controversies or adverse impacts which results in negative subtractions to the score and (3) Performance indicators which assess trajectory of performance which can be additive or negative for the score. The above three assessments are aggregated into a final score for each SDG between the aforementioned -10 to + 10 range. This means that each company has 17 scores, one for each SDG, between -10 and +10. The entire range scale is divided into five result categories as follows:

- >5.0: Strongly Aligned
- Score between 2.0 and 5.0, inclusive: Aligned
- Score less than 2.0 but higher than (-2.0): Neutral
- Score equal to or less than (-2.0) but higher than (-10): Misaligned
- Score equal to (-10): Strongly Misaligned

Once the threshold for alignment for the Products and Services, Capital expenditure or Operational is met, the full weight of the holding is considered aligned.

4) 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.

5) Principal adverse impacts: 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 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, 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).

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The Sub-Fund makes sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets, are invested in shares of companies that are aligned with relevant United Nations Sustainable Development Goals (SDGs). The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 15% of the Sub-Fund's net assets.

As mentioned above, alignment is defined for each investment / investee company by meeting at least one of the following three thresholds:

a) **Products and services:** derive at least 50% of their revenue from goods and services 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

b) **Capital expenditure:** invest at least 30% of their 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.

These thresholds represent a significant intentionality of the company in regards to the contributing activity. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

We use the following mechansims 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 are 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) Sub-Fund specific: Companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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 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.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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 its investments. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The 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.

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.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

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 (chosen 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, 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).
To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

☐ No

What investment strategy does this financial product follow?

At least 60% of the Sub-Fund's net assets are permanently exposed to Eurozone, international and emerging market equities of all capitalisations, listed on financial markets all over the world. The investment strategy is followed through a portfolio of direct investments in securities and derivatives on equity and, to a lesser extent, foreign exchange, fixed income and credit markets, as well as commodity indices, without restriction in terms of allocation by region, sector, type or size of security.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The Sub-Fund adopts a sustainable investment approach using best in universe and best efforts selection process and both positive and negative screening to identify companies with long term sustainable growth criteria. The Sub-Fund makes sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets, are invested 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 are respectively 5% and 15% 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to equity and corporate bonds issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 20%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

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.

Portfolio climate targets: The Sub-Fund has portfolio climate targets to reduce its greenhouse gas ("GHG") emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund's portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product are:

- 50% of the Sub-Fund's net assets are invested in sustainable investments aligned positively with the United Nations Sustainable Development Goals (as outlined above);
- The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 15% of the Sub-Fund's net assets;
- The equity investment universe is actively reduced by at least 20%;
- ESG analysis applied to at least 90% of issuers; and
-

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The committed minimum rate of investment universe reduction for equity is 20%.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

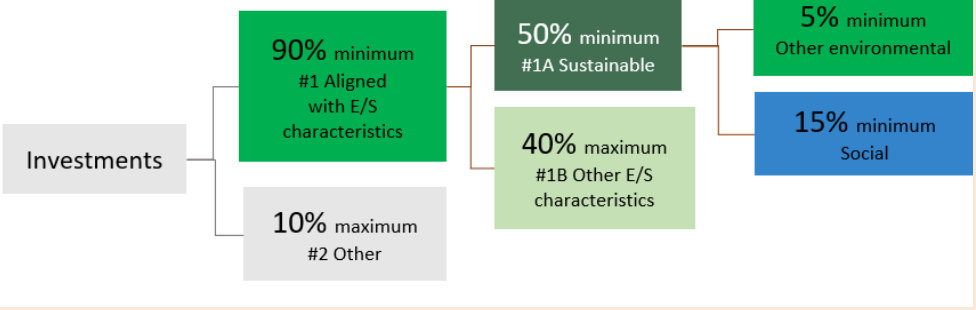
As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:

- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

What is the asset allocation planned for this financial product?

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 companies.

The Sub-Fund makes sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets are invested in shares of companies that are considered aligned with relevant United Nations Sustainable Development Goals ("the SDGs"). Outside the 50% minimum sustainable investments, investments may be made in companies that no alignement with the one of the UN SDGs.

The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 15% of the Sub-Fund's net assets.

Where investments fall outside of the 90% minimum limit incorporating Environmental and Social characteristics, ESG full analysis may not have been performed.

The other investment #2 (in addition to cash and certain derivatives which may be used for hedging purposes, if applicable) are equity investments which are not classified as sustainable investment. They are investments made strictly in accordance with the Sub-Fund's investment strategy and have the purpose of implementing the Sub-Fund's investment strategy. All such investments are made subject to ESG analysis and 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. These instruments are not used to achieve the environmental or social characteristics promoted by the Sub-Fund.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The Sub-Fund does not use derivatives to attain the environmental or social characteristics it promotes, nor does it use derivatives to attain minimum levels of sustainable investments with environmental and social objectives.

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[10]?

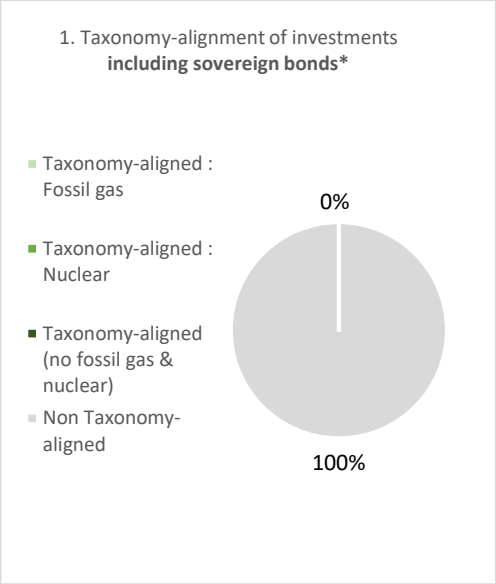
☐ Yes :

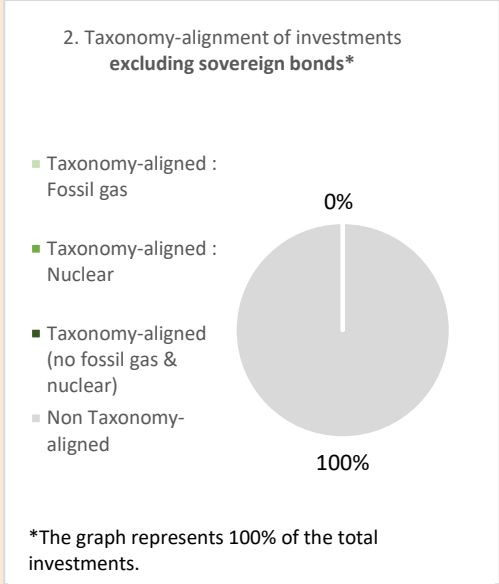
☐ In fossil gas ☐ In nuclear energy

☒ No

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.

The two graphs below show in green the minimum percentage of investments that are 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 is the minimum share of investments in transitional and enabling activities?

N/A.

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 is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

[10] 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.

The minimum level of sustainable investments with environmental objectives that are not aligned with the EU taxonomy is 5% of the Sub-Fund's net assets.

What is the minimum share of socially sustainable investments?

The minimum level of sustainable investments with social objectives is 15% of the Sub-Fund's net assets.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the sub-fund, cash for liquidity management purposes and derivatives.

The Sub-Fund may also be invested, on an ancillary basis, in corporate bonds.

At issuer level (for equities and corporate bonds), non sustainable assets are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy ("norms-based") screening. 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.

Environmental, social and governance considerations are integrated in synthetic instruments through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivatives or index derivatives.

Single name derivatives

Derivatives with a short exposure to a single underlying security do not go through an additional ESG related checks. The underlying issuer may be present in the Sub-Fund's exclusion lists on the basis that signalling a lack of confidence in a business with poor ESG characteristics through shorting their security(ies) is considered reasonable in the pursuit of balancing shareholders' investment objectives. Such derivatives are not subject to a START rating.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.
- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics, if it is to be held for more than one month
    - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund's exclusion list.
    - Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund's exclusion list.

In addition, the weighted average ESG rating of the index must be above BBB (MSCI) or C (START), and the ESG coverage of the index (either MSCI or START) must be greater than 90%.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of the sub-fund's assets (excluding cash and derivatives) apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-Funds' assets.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  N/A.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  N/A.

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

- ***How does the designated index differ from a relevant broad market index?***

  N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-investissement/f-eur-acc/fund-overview-and-characteristics

ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO PATRIMOINE **Legal entity identifier:** 549300J21XEI5I1G8W89

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

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

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

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

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.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics by applying best-in-universe and best-effort approaches to invest in a sustainable manner: 1) ESG integration, 2) Negative screening, 3) Positive screening applying a UN SDG alignment approach, 4) Active Stewardship to promote Environment and Social characteristic, 5) Monitoring of Principal Adverse Impacts.

The Sub-Fund has not designated a reference benchmark for the purposes of attaining the environmental and/or social characteristics.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted by the Sub-Fund :

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), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) Amount the universe is reduced by: the initial investment universe of the Sub-Fund is composed of the ICE BofA Global Corporate Index, ICE BofA Global High Yield Index, and ICE BofA Emerging Markets Corporate Plus Index for the corporate bond part of the portfolio, and the MSCI ACWI Index for the equity part of the portfolio. This universe is reduced by a minimum of 20% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Equity and corporate bond portfolio positions with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

Prior to reducing the investment universe as described above, the equities and/or corporate bond, as applicable, universes are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of these indices and that of the Sub-Fund's portfolio. Each issuer is re-weighted according to the Sub-Fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalisation (small/mid/large), allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the Sub-Fund's historical weightings over its recommended investment period, considering sector, geography, and capitalisation rotations.

3) **Positive screening (Sustainable Investments):** the Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested in shares of companies that are considered aligned with relevant United Nations Susainable Development Goals. The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% 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:** derive at least 50% of their revenue from goods and services 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

b) **Capital expenditure:** invest at least 30% of their 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.

These thresholds represent a significant intentionality of the company in regards to the contributing activity. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

Further information on the methodologies:

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

Firstly, in order to determine which companies are aligned for Products and Services and Capital Expenditure, we have identified a robust business classification system and mapped 1700 different business activities. In addition, we have used the SDG Compass, a resource created by GRI, the UN Global Compact and the World Business Council for Sustainable Development to identify business activities which contributed to each SDG. Furthermore, we created Carmignac 'investable themes' based upon the business activities. Based on these themes, we have filtered through each business activity in the classification system, aligning the appropriate business activities with Carmignac's 'investable themes' and using the SDG targets to verify suitability. This was reviewed by members of the Sustainable Investment (SI) and Investment team.

Secondly, in order to determine which companies are aligned for Operations, we use an external scoring methodology to create an indicative operational alignment screen. Each investee company is assessed on each of the 17 SDGs and their performance is rated from -10 to +10 for each SDG. To calculate this score, for each SDG, there are (1) Positive indicators linked to evidence of policies, initiatives and targets with specific KPIs which result in positive additions to the scores, (2) Negative indicators, linked to controversies or adverse impacts which results in negative subtractions to the score and (3) Performance indicators which assess trajectory of performance which can be additive or negative for the score. The above three assessments are aggregated into a final score for each SDG between the aforementioned -10 to + 10 range. This means that each company has 17 scores, one for each SDG, between -10 and +10. The entire range scale is divided into five result categories as follows:

- >5.0: Strongly Aligned
- Score between 2.0 and 5.0, inclusive: Aligned
- Score less than 2.0 but higher than (-2.0): Neutral
- Score equal to or less than (-2.0) but higher than (-10): Misaligned
- Score equal to (-10): Strongly Misaligned

Once the threshold for alignment for the Products and Services, Capital expenditure or Operational is met, the full weight of the holding is considered aligned.

5) 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.

6) Principal adverse impacts: 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 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, 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). Sovereign bond issuers are monitored for Social violations and GHG intensity indicators.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets, are invested in shares of companies that are aligned with relevant United Nations Sustainable Development Goals (SDGs). The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% of the Sub-Fund's net assets.

As mentioned above, alignment is defined for each investment / investee company by meeting at least one of the following three thresholds:

a) **Products and services:** derive at least 50% of their revenue from goods and services 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

b) **Capital expenditure:** invest at least 30% of their 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.

These thresholds represent a significant intentionality of the company in regards to the contributing activity. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated

the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

We use the following mechansims 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 are 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) Sub-Fund specific: Equity and corporate bonds positions having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse Impacts indicators are monitored on a quarterly basis. Adverse impacts are identified for degree of severity. After discussion with the investment team concerned 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.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The 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.

Does this financial product consider principal adverse impacts on sustainability factors?

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.

☒ Yes

Carmignac has committed to apply the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 16 mandatory and 2 optional environmental and social indicators (chosen 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, 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). In addition, sovereign bond indictators: social violence and GHG intensity are also monitored.
To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

☐ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Up to 50% of the Sub-Fund's net assets are exposed to equity markets, and at least 40% invested in bonds, negotiable debt securities and money market instruments. As the Sub-Fund is managed on an active, flexible basis, its asset allocation may differ substantially from that of its reference indicator. As such, the portfolio manager dynamically manages exposure to the different markets and eligible asset classes, based on expectations of changes in risk/return ratios. The investment policy spreads risk by diversifying investments. Likewise, the portfolio established in each of the asset classes on the basis of detailed financial analysis may vary considerably from the weightings of the reference indicator in terms of geographical zones, sectors, ratings and maturities.

The Sub-Fund adopts a sustainable investment approach using best in universe and best efforts selection process and both positive and negative screening to identify companies with long term sustainable growth criteria. The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets, are invested 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 are respectively 1% and 3% 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to equity issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 20%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Equity and corporate bonds positions having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

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.

Portfolio climate targets: The Sub-Fund has portfolio climate targets to reduce its greenhouse gas ("GHG") emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund's portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics are:

- 10% of the Sub-Fund's net assets are invested in sustainable investments aligned positively with the United Nations Sustainable Development Goals (as outlined above);
- The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% of the Sub-Fund's net assets;
- The equity and corporate bond investment universe is actively reduced by at least 20%; and
- ESG analysis applied to at least 90% of issuers.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The committed minimum rate of investment universe reduction for equity and corporate bonds is 20%.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

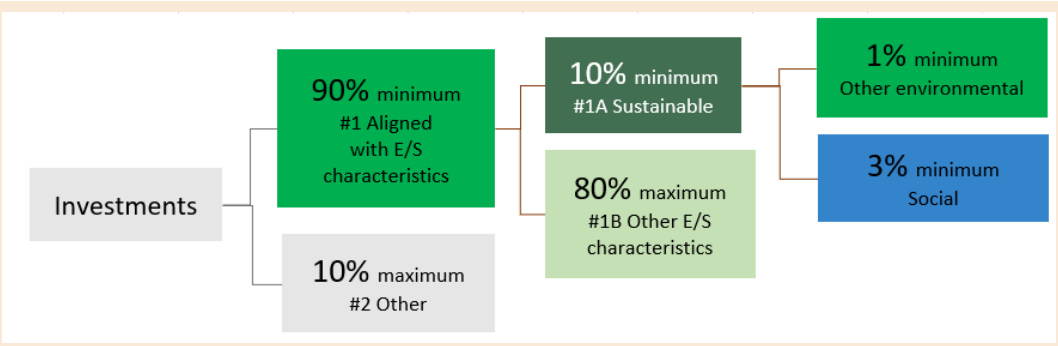
As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:

- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

For sovereign issuers, the following governance criteria are assessed: ease of doing business, fiscal positioning, debt ratio as years of revenue position, current account position and economic freedom.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

Asset allocation describes the share of investments in specific assets.

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 companies.

What is the asset allocation planned for this financial product?

A minimum proportion of 90% of the investments of this Sub-Fund is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy.

The #2 Other investments (in additional to cash and certain derivatives which may be used for hedging purposes, if applicable) are equity, corporate bonds or sovereign bonds investments which are not used to achieve the environmental or social characteristics promoted by the Sub-Fund. . They are investments made strictly in accordance with the Sub-Fund's investment strategy and have the purpose of implementing the Sub-Fund's investment strategy. All such investments are made subject to ESG analysis (including through our ESG proprietary sovereign model for sovereign bonds) and for equity and corporate bonds 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.

Minimum Proportion of sustainable investments:
The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested in shares of companies that derive at least 50% of their revenue from goods and services or invest at least 50% of CAPEX in relation to business activities which are considered aligned with relevant United Nations Sustainable Development Goals ("the SDGs"). Outside the 50% minimum sustainable investments, investments may be made in companies that have less than 50% revenue alignement or no alignement with the one of the SDGs. The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% of the Sub-Fund's net assets.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

The Sub-Fund does not use derivatives to attain the environmental or social characteristics it promotes, nor does it use derivatives to attain minimum levels of sustainable investments with environmental and social objectives.

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[11]?

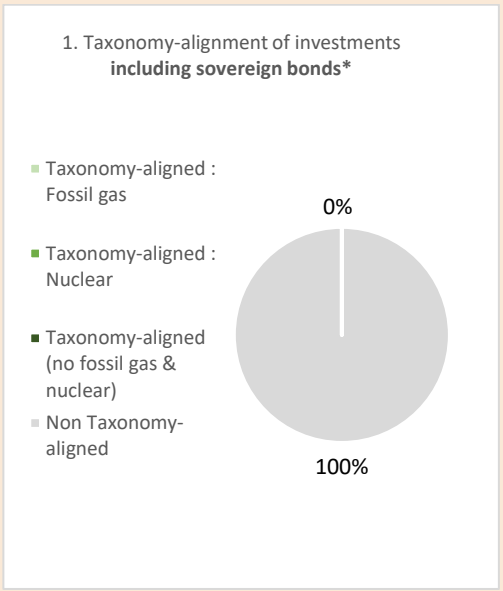
☐ Yes :

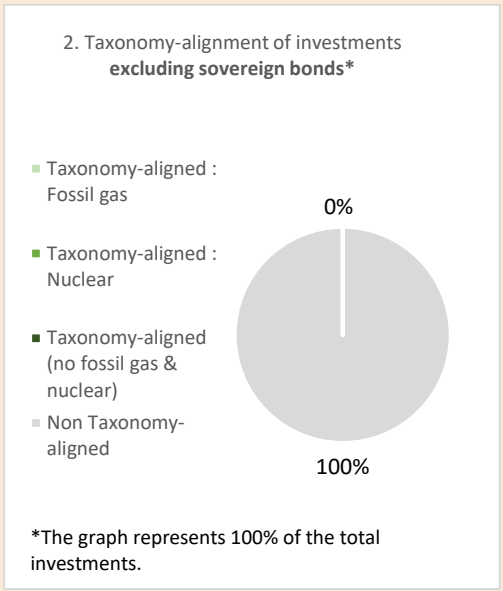
☐ In fossil gas ☐ In nuclear energy

☒ No

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.

The two graphs below show in green the minimum percentage of investments that are 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*

[11] 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.

What is the minimum share of investments in transitional and enabling activities?
N/A.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum level of sustainable investments with environmental objectives that are not aligned with the EU taxonomy is 1% of the Sub-Fund's net assets.

What is the minimum share of socially sustainable investments?

The minimum level of sustainable investments with social objectives is 3% of the Sub-Fund's net assets.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the sub-fund, cash for liquidity management purposes and derivatives.

At issuer level (for equities and corporate bonds), non sustainable assets are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy ("norms-based") screening. 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.
Environmental, social and governance considerations are integrated in synthetic instruments through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivatives or index derivatives.

Single name derivatives

Derivatives with a short exposure to a single underlying security do not go through an additional ESG related checks. The underlying issuer may be present in the Sub-Fund's exclusion lists on the basis that signalling a lack of confidence in a business with poor ESG characteristics through shorting their security(ies) is considered reasonable in the pursuit of balancing shareholders' investment objectives. Such derivatives are not subject to a START rating.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.
- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics, if it is to be held for more than one month :
    - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund's exclusion list.

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

- Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund's exclusion list.

In addition, the weighted average ESG rating of the index must be above BBB (MSCI) or C (START), and the ESG coverage of the index (either MSCI or START) must be greater than 90%.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of the sub-fund's assets (excluding cash and derivatives) apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-Funds' assets.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

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

N/A.

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

N/A.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A.

How does the designated index differ from a relevant broad market index?

N/A.

Where can the methodology used for the calculation of the designated index be found?

N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-patrimoine/f-eur-acc/fund-overview-and-characteristics

ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO SECURITE **Legal entity identifier:** 549300I0RA8U71L1G234

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

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

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.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics by applying best-in-universe and best-effort approaches to invest in a sustainable manner: 1) ESG integration, 2) Negative screening, 3) Positive screening, 4) Active Stewardship to promote Environment and Social characteristics, 5) Monitoring of Principal Adverse Impacts.

Importantly, the positive screening pillar composes a minimum of 10% of net assets in sustainable investments. Sustainable investments are defined as:

1) Investments in use of proceeds bonds such as green, social or sustainable corporate or sovereign bonds and investments in sustainability-linked bonds, OR
2) Investments in corporate issuers that are considered aligned with relevant United Nations Sustainable Development Goals ("the SDGs") For more information, please refer to https://sdgs.un.org/goals.

The Sub-Fund has not designated a reference benchmark for the purposes of attaining the environmental and/or social characteristics.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted:

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), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

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

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) Amount the corporate bond universe is reduced by: the investment universe of the Sub-Fund is composed of the ICE BofAML Global Corporate Index, ICE BofA Global High Yield Index, and ICE BofA Emerging Markets Corporate Plus Index. This amounts to around 2500 corporate issuers (excluding sovereign and quasi-sovereign issuers).This universe is reduced by a minimum of 20% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Fixed income portfolio positions with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

Prior to reducing the investment universe as described above, the equities and/or corporate bond, as applicable, universes are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of these indices and that of the Sub-Fund's portfolio. Each issuer is re-weighted according to the Sub-Fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalisation (small/mid/large), allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the Sub-Fund's historical weightings over its recommended investment period, considering sector, geography, and capitalisation rotations.

The universe reduction process and the starting universe only applies to corporate debt excluding sovereign issuers and quasi sovereign issues.

3) **Positive screening (Sustainable Investments):** the Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested in use of proceeds bonds such as green, social or sustainable corporate or sovereign bonds and investments in sustainability-linked bonds, or bonds of companies that are considered aligned with relevant United Nations Sustainable Development Goals. The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% of the Sub-Fund's net assets.

Alignment with Sustainable Developemnt Goals is defined for each investment / investee company by meeting at least one of the following three thresholds:

a) **Products and services:** derive at least 50% of their revenue from goods and services 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

b) **Capital expenditure:** invest at least 30% of their 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.

These thresholds represent a significant intentionality of the company in regards to the contributing activity. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

Further information on the methodologies:

Firstly, in order to determine which companies are aligned for Products and Services and Capital Expenditure, we have identified a robust business classification system and mapped 1700 different business activities. In addition, we have used the SDG Compass, a resource created by GRI, the UN Global Compact and the World Business Council for Sustainable Development to identify business activities which contributed to each SDG. Furthermore, we created Carmignac 'investable themes' based upon the business activities. Based on these themes, we have filtered through each business activity in the classification system, aligning the appropriate business activities with Carmignac's 'investable themes' and using the SDG targets to verify suitability. This was reviewed by members of the Sustainable Investment (SI) and Investment team.

Secondly, in order to determine which companies are aligned for Operations, we use an external scoring methodology to create an indicative operational alignment screen. Each investee company is assessed on each of the 17 SDGs and their performance is rated from -10 to +10 for each SDG. To calculate this score, for each SDG, there are (1) Positive indicators linked to evidence of policies, initiatives and targets with specific KPIs which result in positive additions to the scores, (2) Negative indicators, linked to controversies or adverse impacts which results in negative subtractions to the score and (3) Performance

indicators which assess trajectory of performance which can be additive or negative for the score. The above three assessments are aggregated into a final score for each SDG between the aforementioned -10 to + 10 range. This means that each company has 17 scores, one for each SDG, between -10 and +10. The entire range scale is divided into five result categories as follows:

- >5.0: Strongly Aligned
- Score between 2.0 and 5.0, inclusive: Aligned
- Score less than 2.0 but higher than (-2.0): Neutral
- Score equal to or less than (-2.0) but higher than (-10): Misaligned
- Score equal to (-10): Strongly Misaligned

Once the revenue, capital expenditure or operational thresholds are met, the full weight of the holding is considered aligned.

4) 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.

5) Principal adverse impacts: 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 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, 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). Sovereign bond issuers are monitored for social violations and GHG intensity indicators.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested in use of proceeds bonds such as green, social or sustainable corporate or sovereign bonds and investments in sustainability-linked bonds or in bonds of companies that are aligned with relevant United Nations Sustainable Development Goals (SDGs). The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% of the Sub-Fund's net assets.

The Sub-Fund takes a holistic approach to evaluating sustainable bonds, including green, social, sustainability and sustainability-linked bonds. In addition to assessing the bond issuer's ESG profile and sustainability strategy through ESG, a sustainable bond must align with certain specific criteria for it to be categorised as a 'sustainable investment' under SFDR. Such criteria may include, but are not limited to, the assessment of the sustainability credentials of the issuer, the compliance with internationally recognised standard or certification (such as the International Capital Markets Association Principles or Guidelines, or the Climate Bonds Standards or Certification Scheme) and penalty step up for missing the sustainability targets. The Sub-Fund may still invest in use of proceeds bonds or sustainability-linked bonds that do not meet the above-mentionned sustainability expectations, but these instruments will not count toward the minimum proportion of sustainable investment.

As mentioned above, alignment with Sustainable Development Goals is defined for each investment / investee company by meeting at least one of the following three thresholds:

a) **Products and services:** derive at least 50% of their revenue from goods and services 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

b) **Capital expenditure:** invest at least 30% of their 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.

These thresholds represent a significant intentionality of the company in regards to the contributing activity. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

We use the following mechansims 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 are 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) Sub-Fund specific: Fixed income portfolio positions having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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 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.

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

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The 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.

Does this financial product consider principal adverse impacts on sustainability factors?

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.

✖ Yes

Carmignac has committed to apply the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 16 mandatory and 2 optional environmental and social indicators (chosen 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, 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). In addition and where applicable, sovereign bond indictators: social violence and GHG intensity are monitored.

To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

☐ No

What investment strategy does this financial product follow?

The Sub-Fund aims to outperform the reference indicator by exposing the portfolio to interest rates in the Eurozone and, to a lesser extent, to interest rates outside the Eurozone, and by exposing the portfolio to international credit markets through investments in debt securities or money market instruments issued by international governments and corporations, or through derivatives. The Sub-Fund is free to vary its foreign exchange market exposure within the limit of 10% of the net assets.

The Sub-Fund adopts a sustainable investment approach using best in universe and best efforts selection process and both positive and negative screening to identify companies with long term sustainable growth criteria. The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets, are invested in use of proceeds bonds such as green, social or sustainable corporate or sovereign bonds and investments in sustainability-linked bonds or in bonds 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 are respectively 1% and 3% of the Sub-Fund's net assets.

Alignment with Sustainable Development Goals 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.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score._For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to equity issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 20%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Fixed income portfolio positions having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

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.

Portfolio climate targets: The Sub-Fund has portfolio climate targets to reduce its greenhouse gas ("GHG") emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund's portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics are:

- 10% of the Sub-Fund's net assets are invested in green, social, sustainability or sustainability-linked corporate or sovereign bonds, as well as corporate issuers positively aligned positively with the United Nations Sustainable Development Goals (as outlined above);
- The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% of the Sub-Fund's net assets;
- Investment universe is actively reduced for corporate bonds by at least 20%; and
- ESG analysis applied to at least 90% of issuers.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The committed minimum rate of investment universe reduction for corporate bonds is 20%.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

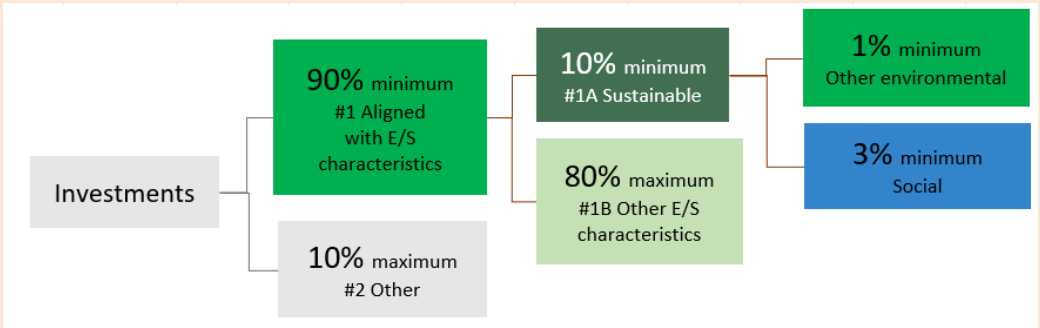
What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:
- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

What is the asset allocation planned for this financial product?

A minimum proportion of 90% of the corporate and sovereign bond holdings of this Sub-Fund is is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy.

The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested in green, social, sustainable and/or sustainability-linked corporate and sovereign bonds as well as corporate issuers that derive at least 50% of their revenue from goods and services or at least 30% of CAPEX in relation to business activities which align positively with one of the 9 out of 17 United Nations Sustainable Development Goals ("the Sustainable Development Goals") or are operationally aligned with the these (as described above). Outside the 10% minimum sustainable investments, investments may be made in companies that have less than 50% revenues alignment or no alignement with the one of the UN SDGs.

The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% of the Sub-Fund's net assets.

Environmentally sustainable investments may be made within the aforementioned sustainable investments which may be either aligned or non-aligned to the EU Taxonomy. The Sub-Fund does not commit to a minimum Taxonomy alingnment objective.

The #2 Other investments (in additional to cash and certain derivatives which may be used for hedging purposes, if applicable) are corporate bonds or sovereign bonds investments which are not classified as sustainable investment. They are investments made strictly in accordance with the Sub-Fund's investment strategy and have the purpose of implementing the Sub-Fund's investment strategy. All such investments are made subject to ESG analysis (including through our ESG proprietary sovereign model for sovereign bonds) and for equity and corporate bonds 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. These instruments are not used to achieve the environmental or social characteristics promoted by the Sub-Fund.

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 companies.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

The Sub-Fund does not use derivatives to attain the environmental or social characteristics it promotes, nor does it use derivatives to attain minimum levels of sustainable investments with environmental and social objectives.

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[12]?

☐ Yes :

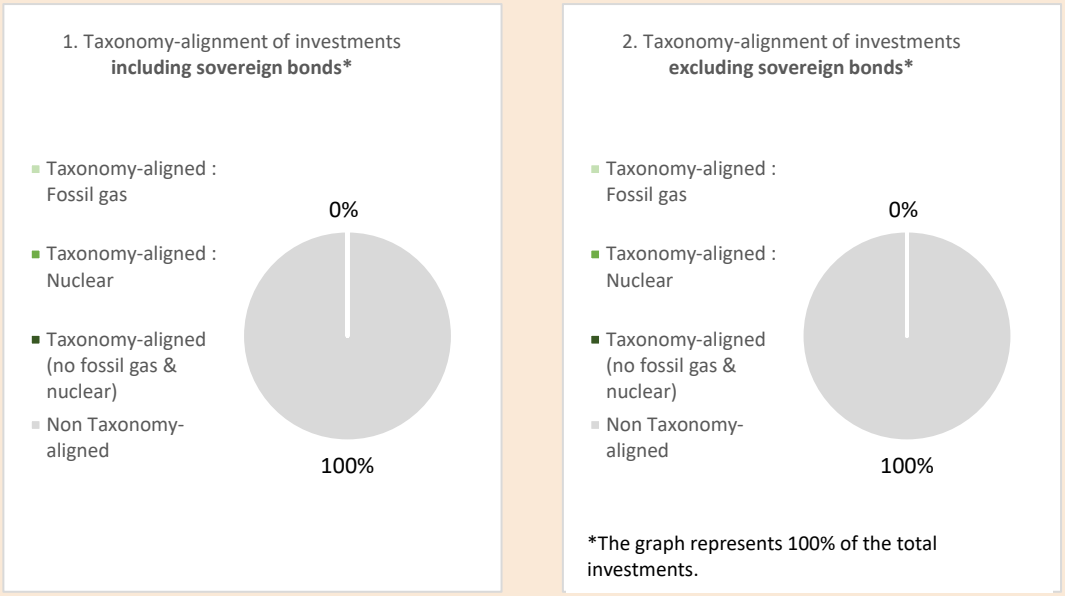
☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are 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

[12] 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.

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*

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.

What is the minimum share of investments in transitional and enabling activities?

N/A.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum level of sustainable investments with environmental objectives that are not aligned with the EU taxonomy is 1% of the Sub-Fund's net assets.

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 is the minimum share of socially sustainable investments?

The minimum level of sustainable investments with social objectives is 3% of the Sub-Fund's net assets.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the sub-fund, cash for liquidity management purposes as well as derivatives.

At issuer level (for equities and corporate bonds), non sustainable assets are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy ("norms-based") screening. 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.

Environmental, social and governance considerations are integrated in synthetic instruments through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivatives or index derivatives.

Single name derivatives

Derivatives with a short exposure to a single underlying security do not go through an additional ESG related checks. The underlying issuer may be present in the Sub-Fund's exclusion lists on the basis that signalling a lack of confidence in a business with poor ESG characteristics through shorting their security(ies) is considered reasonable in the pursuit of balancing shareholders' investment objectives. Such derivatives are not subject to a START rating.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.
- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics, if it is to be held for more than one month :
    - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund's exclusion list.
    - Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund's exclusion list.

In addition, the weighted average ESG rating of the index must be above BBB (MSCI) or C (START), and the ESG coverage of the index (either MSCI or START) must be greater than 90%.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

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

The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of the sub-fund's assets (excluding cash and derivatives) apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-Funds' assets.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A.

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

N/A.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A.

- ***How does the designated index differ from a relevant broad market index?***

N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-securite/f-eur-acc/fund-overview-and-characteristics

ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO EM DEBT **Legal entity identifier:** 549300SMTV5OQRJOAU34

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

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

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided 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.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics by applying a best-efforts approach to invest in a sustainable manner: 1) ESG integration, 2) Negative screening, 4) Active Stewardship to promote Environment and Social characteristics, 5) Monitoring of Principal Adverse Impacts.

Importantly, the positive screening pillar composes a minimum of 10% of net assets which are deemed sustainable investments, defined as:

1) Investments in emerging market sovereign or quasi sovereign debt issuers that reflect strong or improving ESG-related characteristics within the top range of the sustainability score distribution according to our proprietary ESG scoring system. For this calculation, the Sub-fund uses a proprietary ESG scoring system which uses specific ESG-related factors and which is applied to emerging market countries to evaluate the ESG characteristics of the sovereign and quasi-sovereign issuers in the Sub-Fund's investment universe. The aggregated score takes into consideration multiple sustainable objectives at a sovereign state policy implementation level i.e. share of renewables, Gini index, human capital, political stability, etc. These are rated from 1 to 5 whereby 1 is the lowest score, 5 is the highest score and 2.5 is the exclusion threshold.;

OR

2) Investments in use of proceeds bonds such as green, social or sustainable corporate, sovereign, quasi-sovereign and agency bonds and investments in sustainability-linked bonds.

The Sub-Fund has not designated a reference benchmark for the purposes of attaining the environmental and/or social characteristics.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted by the Sub-Fund :

1) 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), which includes internal and external ESG ratings, for corporate and sovereign issuers, is applied to at least 90% of issuers.

2) Amount the corporate bond universe is reduced by: The initial universe for universe reduction purposes is the ICE BofA Emerging Markets Coporate Bond index (EMCB). This universe is reduced by a minimum of 20% through the application of the filters described below.

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

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Fixed income portfolio positions with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

Prior to reducing the investment universe as described above, the equities and corporate bond universes, as applicable, are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of the indices making up these universes and that of the Fund's portfolio. Each issuer is re-weighted according to the fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalization (small/mid/large)) allowing for a +/-5% margin for each separate characteristic.. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the fund's historical weightings over the last 5 years, considering sector, geography, and capitalization rotations.

The universe reduction process and the starting universe only applies to corporate debt excluding sovereign issuers and quasi sovereign issues.

3) Positive screening: The Sub-Fund will only invest in sovereign debt with a score of 2.5/5 or higher in the proprietary ESG sovereign model. In addition, to maintain the minimum 10% of net assets the Sub-fund will invest in either or both of the aforementioned two types of sustainable investments

The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 1% of the Sub-Fund's net assets.

4) 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.

5) Principal adverse impacts: 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 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, 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). Sovereign bond issuers are monitored for Social violations and GHG intensity indicators.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested either: 1) in emerging market sovereign or quasi-sovereign debt issuers that reflect strong or improving ESG-related characteristics within the top range of the sustainability score distribution using our proprietary ESG scoring system, OR 2) in green, social, sustainable and sustainability-linked corporate, sovereign or quasi-sovereign bonds.

The Sub-Fund takes a holistic approach to evaluating sustainable bonds, including green, social, sustainability and sustainability-linked bonds. In addition to assessing the bond issuer's ESG profile and sustainability strategy through ESG, a sustainable bond must align with certain specific criteria for it to be categorised as a 'sustainable investment' under SFDR. Such criteria may include, but are not limited to, the assessment of the sustainability credentials of the issuer, the compliance with internationally recognised standard or certification (such as the International Capital Markets Association Principles or Guidelines, or the Climate Bonds Standards or Certification Scheme) and penalty step up for missing the sustainability targets. The Sub-Fund may still invest in use of proceeds bonds or sustainability-linked bonds that do not meet the above-mentionned sustainability expectations, but these instruments will not count toward the minimum proportion of sustainable investment.

The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 1% of the Sub-Fund's net assets.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

We use the following mechansims 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 are 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) Sub-Fund specific: Fixed income portfolio positions with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having

a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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 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.

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

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The 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.

Does this financial product consider principal adverse impacts on sustainability factors?

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.

☒ Yes

Carmignac has committed to apply the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 16 mandatory and 2 optional environmental and social indicators (chosen 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, 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). In addition and where applicable, sovereign bond indictators: social violence and GHG intensity are monitored.

To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.

Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

☐ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The Sub-Fund implements a total return approach striving to deliver sustainable positive returns with attractive Sharpe ratio whatever the market environment over the investment horizon of 3 years. This total return mindset allows to participate in rising markets, while implementing a defensive approach, by hedging the portfolio to market risks, during declining market expectations. In order to meet its investment objectives, this Sub-Fund is mainly invested in a wide spectrum of emerging markets debt instruments. Accordingly, the Sub-Fund is invested in corporate, sovereign and quasisovereign bonds (i.e. bonds issued by quasi-sovereign entities which are wholly-owned or 100% guaranteed by a national government), without restriction on credit ratings (including high-yield bonds) and on currencies the securities are denominated in. The allocation between corporate, sovereign and quasisovereign bonds is made on a discretionary basis.

The Sub-Fund adopts a sustainable investment approach using best in universe and best efforts selection process and both positive and negative screening to identify companies with long term sustainable growth criteria. The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets, are invested in bonds which are deemed sustainable investments, defined as:

1) Investments in emerging market sovereign or quasi sovereign debt issuers that reflect strong or improving ESG-related characteristics within the top range of the sustainability score distribution according to our proprietary ESG scoring system. For this calculation, the Sub-fund uses a proprietary ESG scoring system which uses specific ESG-related factors and which is applied primarily to emerging market countries to evaluate the ESG characteristics of the sovereign and quasi-sovereign issuers in the Sub-Fund's investment universe. The aggregated score takes into consideration multiple sustainable objectives at a sovereign state policy implementation level i.e. share of renewables, Gini index, human capital, political stability, etc. These are rated from 1 to 5 whereby 1 is the lowest score, 5 is the highest score and 2.5 is the exclusion threshold.;

OR

2) Investments in use of proceeds bonds such as green, social or sustainable corporate, sovereign, quasi-sovereign and agency bonds and investments in sustainability-linked bonds.

The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 1% of the Sub-Fund's net assets.

The Sub-Fund will only invest in sovereign debt with a score of 2.5/5 or higher in the proprietary ESG sovereign model. In addition, to maintain the minimum 10% of net assets the Sub-fund will invest in either or both of the aforementioned two types of sustainable investments

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to equities, corporate bonds, and sovereign bonds issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 20%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website. The initial universe for universe reduction purposes is the ICE BofA Emerging Markets Coporate Bond index (EMCB). The investment universe and the Sub-Fund is reviewed periodically to maintain alignment for universe reduction purposes.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Fixed income portfolio positions with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

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.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics are:

- 10% of the Sub-Fund's net assets are invested in 1) emerging market sovereign or quasi sovereign debt issuers within the top range of the sustainability score distribution OR
  2) green, social, sustainable and sustainability-linked corporate or sovereign bonds;
- Corporate bond Investment universe is actively reduced by at least 20%;
- ESG analysis applied to at least 90% of issuers;

- The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 1% of the Sub-Fund's net assets; and

The Sub-Fund will only invest in sovereign debt with a score of 2.5/5 or higher in the proprietary ESG sovereign model

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The committed minimum rate of investment universe reduction for corporate bonds is 20%.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:

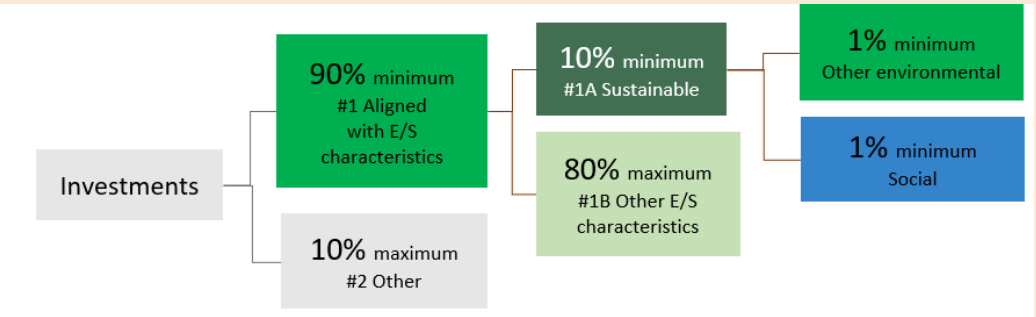
- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

- For sovereign issuers, the following governance criteria are assessed: ease of doing business, fiscal positioning, debt ratio as years of revenue position, current account position.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the asset allocation planned for this financial product?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

A minimum proportion of 90% of the investments of this Sub-Fund is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy.

The minimum of 10% of net assets which are deemed sustainable investments is defined as:
1) Investments in emerging market sovereign or quasi sovereign debt issuers that reflect strong or improving ESG-related characteristics within the top range of the sustainability score distribution according to our proprietary ESG scoring system; OR
2) Investments in use of proceeds bonds such as green, social or sustainable corporate, sovereign, quasi-sovereign and agency bonds and investments in sustianability-linked bonds

Asset allocation describes the share of investments in specific assets.

The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 1% of the Sub-Fund's net assets.

The #2 Other investment (in addition to cash and certain derivatives which may be used hedging purposes, if applicable) are corporate bonds or sovereign bonds investments which are not classified as sustainable investment. They are investments made strictly in accordance with the Sub-Fund's investment strategy and have the purpose of implementing the Sub-Fund's investment strategy. All such investments are made subject to ESG analysis (including through our ESG proprietary sovereign model for sovereign bonds) and for equity and corporate bonds 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. These instruments are not used to achieve the environmental or social characteristics promoted by the Sub-Fund.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The Sub-Fund does not use derivatives to attain the environmental or social characteristics it promotes, nor does it use derivatives to attain minimum levels of sustainable investments with environmental and social objectives.

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

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 companies.

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.

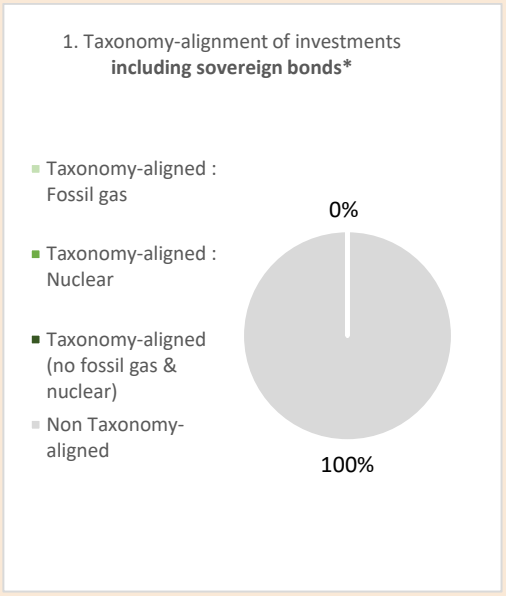
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[13]?

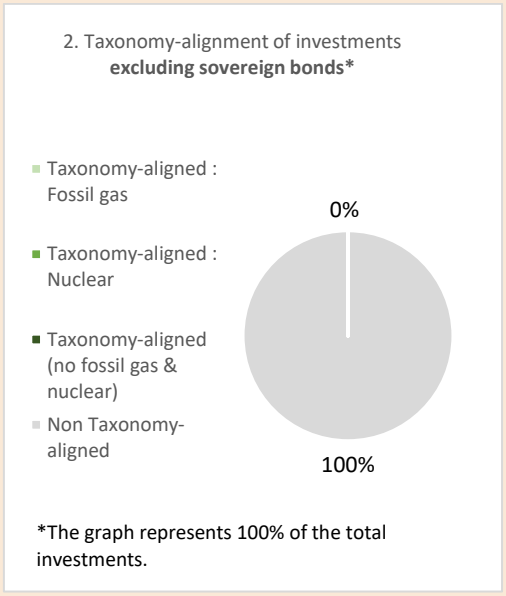
☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are 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 is the minimum share of investments in transitional and enabling activities?

N/A.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

[13] 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.

The minimum level of sustainable investments with environmental objectives that are not aligned with the EU taxonomy is 1% of the Sub-Fund's eligible assets.

What is the minimum share of socially sustainable investments?

The minimum level of sustainable investments with social objectives is 1% of the Sub-Fund's eligible assets.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the sub-fund, cash for liquidity management purposes as well as derivatives.

At issuer level (for equities and corporate bonds), non sustainable assets are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy ("norms-based") screening. 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.

Environmental, social and governance considerations are integrated in synthetic instruments through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivative or index derivatives.

Single name derivatives

Derivatives with a short exposure to a single underlying security do not go through an additional ESG related checks. The underlying issuer may be present in the Sub-Fund's exclusion lists on the basis that signalling a lack of confidence in a business with poor ESG characteristics through shorting their security(ies) is considered reasonable in the pursuit of balancing shareholders' investment objectives. Such derivatives are not subject to a START rating.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.
- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics, if it is to be held for more than one month:
    - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund's exclusion list.
    - Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund's exclusion list.

In addition, the weighted average ESG rating of the index must be above BBB (MSCI) or C (START), and the ESG coverage of the index (either MSCI or START) must be greater than 90%.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of the sub-fund's assets (excluding cash and derivatives) apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-Funds' assets.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A.

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

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

N/A.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A.

How does the designated index differ from a relevant broad market index?

N/A.

Where can the methodology used for the calculation of the designated index be found?

N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-em-debt/a-eur-acc/fund-overview-and-characteristics

ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO PATRIMOINE EUROPE **Legal entity identifier:** 549300RXB1M2U1XEC704

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

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

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.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics by applying a best-in-universe approach to invest in a sustainable manner: 1) ESG integration, 2) Negative screening, 3) Positive screening applying a UN SDG alignment approach, 4) Active Stewardship to promote Environment and Social characteristics, 5) Low-carbon intensity target, 6) Monitoring of Principal Adverse Impacts.

The Sub-Fund has not designated a reference benchmark for the purposes of attaining the environmental and/or social characteristics.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted by the Sub-Fund :

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

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), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) Amount the universe is reduced by: The initial universe for universe reduction purposes is composed of (i) the ICE BofAML Global Corporate Index, ICE BofA Global High Yield Index, and ICE BofA Emerging Markets Corporate Plus Index (amounting in total to around 2500 issuers for corporate bonds; excluding sovereign and qualsi-sovereign issuers), and (ii) listed European stocks with over 1 billion euro of market capitalisation for the equity part of the portfolio (around 1200 issuers). This universe is reduced by a minimum of 25% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, and thermal coal mining.

Fixed income portfolio positions with an an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

Equity portfolio positions with an an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are excluded of the Sub-Fund's investment universe. Companies with a Co2 intensity greater than 500 tCO2/mEUR revenue are excluded. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above.

Prior to reducing the investment universe as described above, the equities and/or corporate bond, as applicable, universes are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of these indices and that of the Sub-Fund's portfolio. Each issuer is re-weighted according to the Sub-Fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalisation (small/mid/large), allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the Sub-Fund's historical weightings over its recommended investment period, considering sector, geography, and capitalisation rotations.

3) **Positive screening (Sustainable Investments):** the Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested in shares of companies that are considered aligned with relevant United Nations Susainable Development Goals. The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% 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:** derive at least 50% of their revenue from goods and services 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

b) **Capital expenditure:** invest at least 30% of their 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.

These thresholds represent a significant intentionality of the company in regards to the contributing activity. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

Further information on the methodologies:

Firstly, in order to determine which companies are aligned for Products and Services and Capital Expenditure, we have identified a robust business classification system and mapped 1700 different business activities. In addition, we have used the SDG Compass, a resource created by GRI, the UN Global Compact and the World Business Council for Sustainable Development to identify business activities which contributed to each SDG. Furthermore, we created Carmignac 'investable themes' based upon the business activities. Based on these themes, we have filtered through each business activity in the classification system, aligning the appropriate business activities with Carmignac's 'investable themes' and using the SDG targets to verify suitability. This was reviewed by members of the Sustainable Investment (SI) and Investment team.

Secondly, in order to determine which companies are aligned for Operations, we use an external scoring methodology to create an indicative operational alignment screen. Each investee company is assessed on each of the 17 SDGs and their performance is rated from -10 to +10 for each SDG. To calculate this score, for each SDG, there are (1) Positive indicators linked to evidence of policies, initiatives and targets with specific KPIs which result in positive additions to the scores, (2) Negative indicators, linked to controversies or adverse impacts which results in negative subtractions to the score and (3) Performance indicators which assess trajectory of performance which can be additive or negative for the score. The above three assessments are aggregated into a final score for each SDG between the aforementioned -10 to + 10 range. This means that each company has 17 scores, one for each SDG, between -10 and +10. The entire range scale is divided into five result categories as follows:

- >5.0: Strongly Aligned
- Score between 2.0 and 5.0, inclusive: Aligned
- Score less than 2.0 but higher than (-2.0): Neutral
- Score equal to or less than (-2.0) but higher than (-10): Misaligned
- Score equal to (-10): Strongly Misaligned

Once the revenue, capital expenditure or operational thresholds are met, the full weight of the holding is considered aligned.

4) 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.

5) Low-carbon intensity target: The Sub-fund aims in the equity and corporate bond part of the portfolio to achieve carbon emissions 30% lower than its designated composite reference indicator (MSCI Europe NR), and ICE BofA All Maturity All Euro Government, with the exclusion of ESTR capitalised), general market index, measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

6) Principal adverse impacts: 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 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, 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). Sovereign bond issuers are monitored for Social violations and GHG intensity indicators.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The Sub-Fund makes sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets, are invested in shares of companies that are aligned with relevant United Nations Sustainable Development Goals (SDGs). The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% of the Sub-Fund's net assets.

As mentioned above, alignment is defined for each investment / investee company by meeting at least one of the following three thresholds:

a) **Products and services:** derive at least 50% of their revenue from goods and services 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

b) **Capital expenditure:** invest at least 30% of their 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.

These thresholds represent a significant intentionality of the company in regards to the contributing activity. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

We use the following mechansims 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 are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, and thermal coal mining.

Fixed income portfolio positions with an overall START rating of “D” or “E” (rating from "E" to "A") are excluded of the Sub-Fund’s investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social pillars and governance are excluded of the Sub-Fund’s investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund’s investment universe. Companies rated “CCC” or "B"on the overall MSCI rating (from “E” to “A”) can reintegrate into the Sub-Fund’s investment universe if START rating is C or above.

Equity portfolio positions with an overall START rating of “D” or “E” (rating from "E" to "A") are excluded of the Sub-Fund’s investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are excluded of the Sub-Fund’s investment universe. Companies with a Co2 intensity greater than 500 tCO2/mEUR revenue are excluded. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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 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.

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

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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 Ethix as the research data base.

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

Does this financial product consider principal adverse impacts on sustainability factors?

✖ Yes

Carmignac has committed to apply the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 16 mandatory and 2 optional environmental and social indicators (chosen 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, 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). In

addition and where applicable, sovereign bond indictators: social violence and GHG intensity are also monitored.
To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.

Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

☐ No

What investment strategy does this financial product follow?

This Sub-Fund invests at least 40% of its net assets in debt securities issued by companies/issuers that have their registered office or carry out the bulk of their business in European countries or that are issued in a European currency. The Sub-Fund also invests in equities from European countries or issued by companies/issuers that have their registered office or carry out the bulk of their business in European countries, including Turkey and Russia.

The Sub-Fund adopts a sustainable investment approach using best in universe and best efforts selection process and both positive and negative screening to identify companies with long term sustainable growth criteria. The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets, are invested 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 are respectively 1% and 3% 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.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score._For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to equities, corporate bonds and sovereign bonds issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 20%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, and thermal coal mining.

Fixed income portfolio positions with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental, social and governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

Equity portfolio positions with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are excluded of the Sub-Fund's investment universe. Companies with a Co2 intensity greater than 500 tCO2/mEUR revenue are excluded. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above.

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.

Portfolio climate targets: The Sub-Fund has portfolio climate targets to reduce its greenhouse gas ("GHG") emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund's portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

Additional KPIs: In order to comply with the requirements of the French ISR Label; the sub-fund aims to achieve a lower GHG intensity (as defined in the Principal Adverse Impact (PAI) indicators) and a higher SDG alignment than its reference indicator.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics are:

- 10% of the Sub-Fund's net assets, are invested in shares of companies that aligned positively with the United Nations Sustainable Development Goals (as outlined above);
- The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% of the Sub-Fund's net assets;
- The equity and corporate bond investment universe is actively reduced by at least 25%;
- ESG analysis applied to at least 90% of issuers; and
- carbon emissions 30% lower than the reference indicator as measured by carbon intensity

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The committeed minimum rate of investment universe reduction for equity and corporate bonds is 25%.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

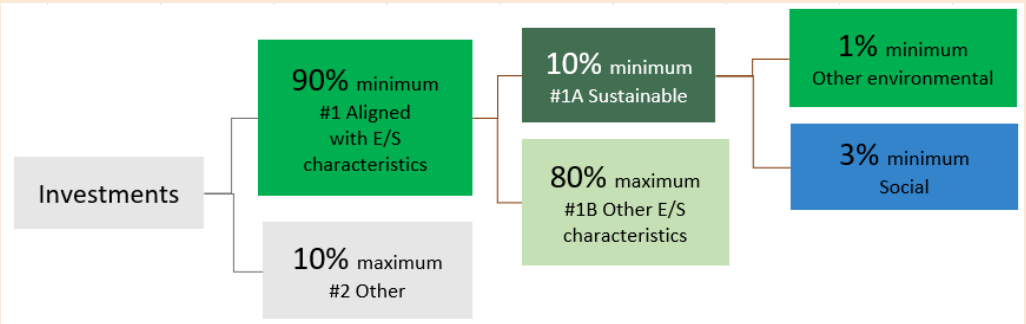
In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:

- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

For sovereign issuers, the following governance criteria are assessed: ease of doing business, fiscal positioning, debt ratio as years of revenue position, current account position, economic freedom.

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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 companies.

What is the asset allocation planned for this financial product?

A minimum proportion of 90% of the investments of this Sub-Fund is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy.

The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested in shares of companies that are considered aligned with relevant United Nations Sustainable Development Goals ("the SDGs"). Outside the 50% minimum sustainable investments, investments may be made in companies that have less than 50% reveune alignement or no alignement with the one of the UN SDGs.

The minimum levels of sustainable investments with environmental and social objectives are respectively 1% and 3% of the Sub-Fund's net assets.

The #2 Other investment (in addition to cash and certain derivatives which may be used for hedging purposes, if applicable) are equity, corporate bonds or sovereign bonds investments which are not classified as sustainable investment. They are investments made strictly in accordance with the Sub-Fund's investment strategy and have the purpose of implementing the Sub-Fund's investment strategy. All such investments are made subject to ESG analysis (including through our ESG proprietary sovereign model for sovereign bonds) and for equity and corporate bonds 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. These instruments are not used to achieve the environmental or social characteristics promoted by the Sub-Fund.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

The Sub-Fund does not use derivatives to attain the environmental or social characteristics it promotes, nor does it use derivatives to attain minimum levels of sustainable investments with environmental and social objectives.

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[14]?

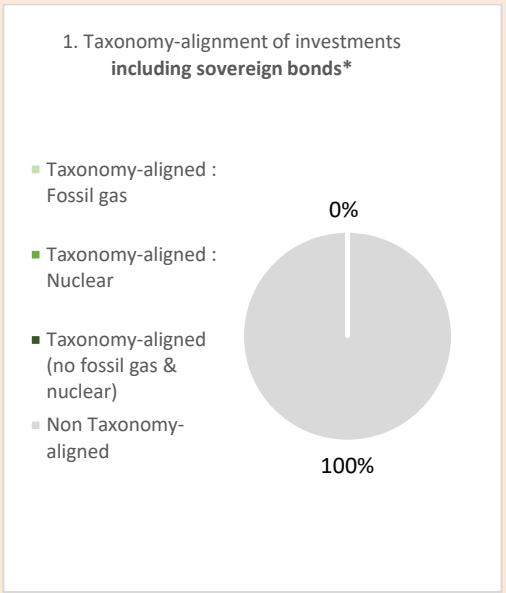
☐ Yes :

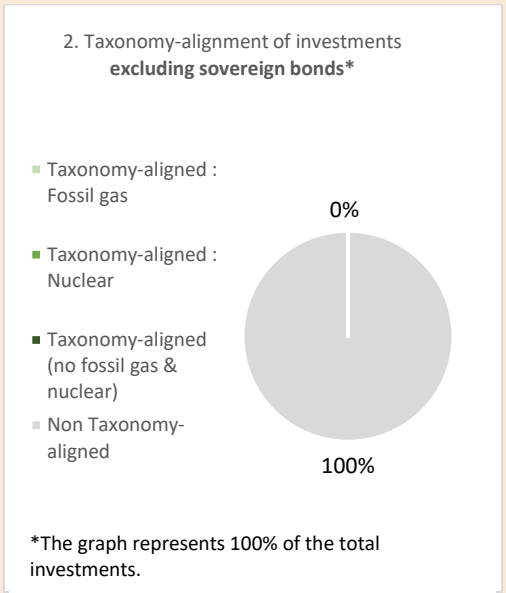
☐ In fossil gas ☐ In nuclear energy

☒ No

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.

The two graphs below show in green the minimum percentage of investments that are 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*

[14] 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.

What is the minimum share of investments in transitional and enabling activities?

N/A.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum level of sustainable investments with environmental objectives that are not aligned with the EU taxonomy is 1% of the Sub-Fund's net assets.

What is the minimum share of socially sustainable investments?

The minimum level of sustainable investments with social objectives is 3% of the Sub-Fund's net assets.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the sub-fund, cash for liquidity management purposes as well as derivatives.

At issuer level (for equities and corporate bonds), non sustainable assets are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy ("norms-based") screening. 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.

Environmental, social and governance considerations are integrated in synthetic instruments through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivatives or index derivatives.

Single name derivatives

The Sub-Fund may enter into derivatives with a short exposure to a single underlying securiyt ("single name") only for hedging purposes, i.e. covering the long exposure on that same company or issuer. Net short positions, i.e. situations where the short exposure on the underlying company or issuer is greater that the long exposure of the Sub-Fund on that same copany or issuer, are prohibited. The use of short derivatives for purposes other than hedging is prohibited.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.

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

- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics, if it is to be held for more than one month and less than twelve months:
    - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund's exclusion list.
    - Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund's exclusion list.

In addition, the weighted average ESG rating of the index must be above BBB (MSCI) or C (START), and the ESG coverage of the index (either MSCI or START) must be greater than 90%.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of the sub-fund's assets (excluding cash and derivatives) apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-Funds' assets.

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

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A.

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

N/A.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A.

How does the designated index differ from a relevant broad market index?

N/A.

Where can the methodology used for the calculation of the designated index be found?

N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-patrimoine-europe/a-eur-acc/fund-overview-and-characteristics

ANNEX III

Template Pre-contractual 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

Product name: CARMIGNAC PORTFOLIO GRANDCHILDREN **Legal entity identifier:** 549300EN8FOV7NX5CC77

Sustainable investment objective

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

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

What is the sustainable investment objective of this financial product?

The Sub-Fund's sustainable objective is to invest at least 80% of the Sub-Fund's 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 are 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

Further information on the methodologies:

Firstly, in order to determine which investee companies are aligned to the SDGs for Products and Services and Capital expenditure, we have identified a robust business classification system and mapped 1700 different business activities. In addition, we have used the SDG Compass, a resource created by GRI, the UN Global Compact and the World Business Council for Sustainable Development to identify business activities which contributed to each SDG. In addition, we created Carmignac 'investable themes' based upon the business activities. Based on these themes, we have filtered through each business activity in the classification system, aligning the appropriate business activities with Carmignac's 'investable themes' and using the SDG targets to verify suitability. This was reviewed by members of the Sustainable Investment (SI) and Investment team.

Secondly, in order to determine which investee companies are aligned to the SDGs for Operations, we use an external scoring methodology to create an indicative operational alignment screen. Each investee company is assessed on each of the 17 SDGs and their performance is rated from -10 to +10 for each SDG. To calculate this score, for each SDG, there are (1) Positive indicators linked to evidence of policies, initiatives and targets with specific KPIs which result in positive additions to the scores, (2) Negative indicators, linked to controversies or adverse impacts which results in negative subtractions to the score and (3) Performance indicators which assess trajectory of performance which can be additive or negative for the score. The above three assessments are aggregated into a final score for each SDG between the aforementioned -10 to + 10 range. This means that each company has 17 scores, one for each SDG, between -10 and +10.
The entire range scale for operational alignment is divided into five result categories as follows:

- >5.0: Strongly Aligned
- Score between 2.0 and 5.0, inclusive: Aligned
- Score less than 2.0 but higher than (-2.0): Neutral
- Score equal to or less than (-2.0) but higher than (-10): Misaligned
- Score equal to (-10): Strongly Misaligned

Once the threshold for alignment for the Products and Services, Capital expenditure or Operational is met, the full weight of the holding is considered aligned.

In addition, 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 but excludes Companies with a Co2 intensity greater than 500 tCO2/mEUR revenue and aims to achieve carbon emissions 50% lower than its reference indicator (MSCI WORLD NR Index), measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

The Sub-Fund has not designated a reference benchmark for the purposes of showing the attainment of the sustainable investment objective. The objective is an absolute target to invest 80% of net assets into companies on a continuous basis that are aligned to one of the aforementioned relevant SDGs according to the predefined revenue, capital expenditure or operational alignment thresholds.

The attainment of the sustainable objective is ensured on a continuous basis through monitoring and controls and will be published monthly on the Sub-Fund's webpage.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of the sustainable investment 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), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

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

2) The amount the equity universe is reduced by : The initial universe for universe reduction purposes is composed of the MSCI WORLD index.. This universe is reduced by a minimum of 25% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation and thermal coal mining. In addition, companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are excluded of the Sub-Fund's investment universe. Companies with a Co2 intensity greater than 500 tCO2/mEUR revenue are excluded. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above.

Prior to reducing the investment universe as described above, the equities and corporate bond universes are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of the indices making up these universes and that of the Fund's portfolio. Each issuer is re-weighted according to the fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalization (small/mid/large)) allowing for a +/-5% margin for each separate characteristic.. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the

fund's historical weightings over the last 5 years, considering sector, geography, and capitalization rotations.

3) Minimum of Sustainable investments: the Sub-Fund makes sustainable investments whereby a minimum of 80% of the Sub-Fund's net assets, which align positively with relevant United Nations Sustainable Development Goals.
The minimum levels of sustainable investments with environmental and social objectives are respectively 10% and 30% of the Sub-Fund's net assets.

4) 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.

5) Low-carbon intensity target: the Sub-fund aims to achieve carbon emissions 50% lower than its reference indicator (MSCI WORLD NR Index), measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

6) Principal adverse impacts: 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 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, 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).

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

We use the following mechansims 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 are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation and thermal coal mining. In addition, Companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are excluded of the Sub-Fund's investment universe. Companies with a Co2 intensity greater than 500 tCO2/mEUR revenue are excluded. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team concerned 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 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.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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 its investments. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The screening process bases its controversy identification on the OECD Business Guidelines and UN Global compact principles and is commonly called Norms-based screening, integrating a strict flagging system 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.

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.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

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 (chosen 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, 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).
To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. This info will be disclosed in annual reports.

☐ No

What investment strategy does this financial product follow

The Sub-Fund's investment strategy is to address the intergenerational goals and targets that many investors have today. Increasing life expectancy and major social change mean many investors are reconsidering how their investments can work for the benefit of their children and grandchildren. These intergenerational goals are set out over the long-term which is consistent with the Sub-Fund's investment horizon. In order to achieve its investment objective, the Sub-Fund seeks to invest in companies that exhibit strong reinvestment rates and recurrent profitability.

The Sub-Fund adopts a sustainable investment approach using best in universe and best efforts selection process and both positive and negative screening to identify companies with long term sustainable growth criteria. The Sub-Fund makes sustainable investments whereby a minimum of 80% of the Sub-Fund's net assets, are invested 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 are 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.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to equity issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 25%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation and thermal coal mining. In addition, companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are excluded of the Sub-Fund's investment universe. Companies with a Co2 intensity greater than 500 tCO2/mEUR revenue are excluded. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above.

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.

Portfolio climate targets: The Sub-Fund has portfolio climate targets to reduce its greenhouse gas ("GHG") emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund's portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

The Sub-fund aims to achieve carbon emissions 50% lower than its reference indicator (MSCI WORLDNR Index), measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG emissions).

Additional KPIs: In order to comply with the requirements of the French ISR Label; the sub-fund aims to achieve a lower GHG intensity (as defined in the Principal Adverse Impact (PAI) indicators) and a higher SDG alignment than its reference indicator.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The binding elements of the investment strategy used to select the investments to attain the sustainable objective are :

- 80% of the Sub-Fund's net assets are invested in sustainable investments aligned positively with the United Nations Sustainable Development Goals (as outlined above);
- The minimum levels of sustainable investments with environmental and social objectives are respectively 10% and 30% of the Sub-Fund's net assets;
- Equity Investment universe is actively reduced by at least 25%;
- ESG analysis applied to at least 90% of issuers; and
- carbon emissions 50% lower than the reference indicator as measured by carbon intensity.

What is the policy to assess good governance practices of the investee companies?

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

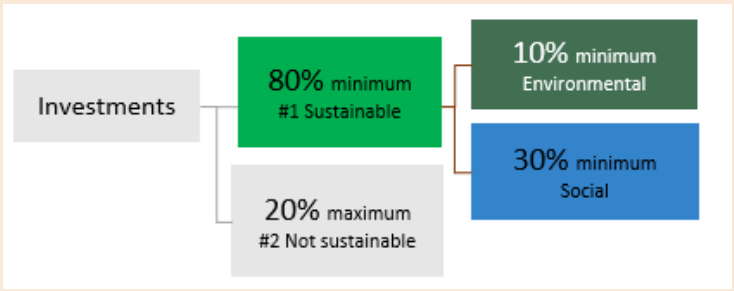
As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:
- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

A minimum proportion of 80% of this Sub-Fund's net assets is used to meet the sustainable objective of the Sub-Fund in accordance with the binding elements of the investment strategy.

The minimum levels of sustainable investments with environmental and social objectives are respectively 10% and 30% of the Sub-Fund's net assets.

The "#2 Not sustainable investments" include cash and derivative instruments, which may be used for hedging purposes, if applicable. These instruments are not used to achieve the sustainable objective of the Sub-Fund.

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 companies.

How does the use of derivatives attain the sustainable investment objective?

For attaining its sustainable objective, the Sub-Fund may invest directly in shares of companies, or use derivatives to achieve synthetic exposure to such companies and indices. In the case where single names derivatives are used for purposes other than hedging; i.e. investment purposes (to achieve synthetic exposure), the single security derivatives must be aligned with the SDGs, described above and included in our sustainable investment definition, for physical long positions

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

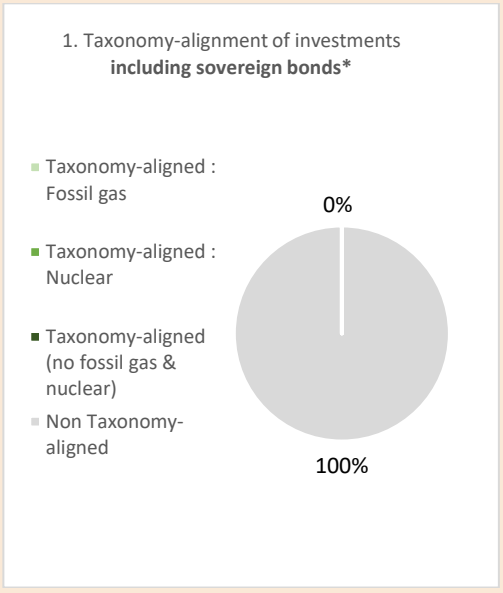
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[15]?

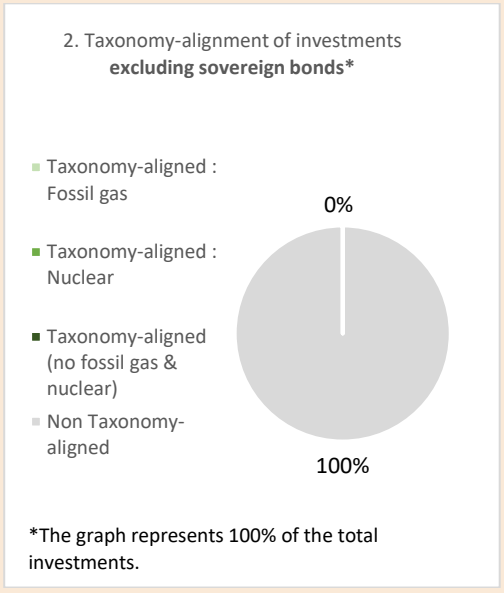
☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are 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*

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.

[15] 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.

What is the minimum share of investments in transitional and enabling activities?

As the Sub-fund does not have a minimum Taxonomy alignment there is no current minimum share of transitional and enabling activities.

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

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum level of sustainable investments with environmental objectives that are not aligned with the EU Taxonomy is 10% of the Sub-Fund's net assets.

What is the minimum share of sustainable investments with a social objective?

The minimum level of sustainable investments with social objectives is 30% of the Sub-Fund's net assets.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

In addition to sustainable investments, the Sub-Fund may invest in cash for liquidity management purposesand derivatives for hedging purposes. Environmental, social and governance considerations into synthetic exposure have been integrated through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivative or index derivatives.

Single name derivatives

The Sub-Fund may enter into derivatives with a short exposure to a single underlying stock ("single name") only for hedging purposes, i.e. covering the long exposure on that same issuer. Net short positions, i.e. situations where the short exposure on the underlying issuer is greater that the long exposure of the Sub-Fund on that same issuer, are prohibited. The use of short derivatives for purposes other than hedging is prohibited.

Index derivatives
Index derivatives purchased for hedging purposes are not analysed for ESG purposes.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The investments included under "#2 Not sustainable" abide by our firm-wide negative screening framework for minimum safeguards.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

N/A.

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

N/A.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

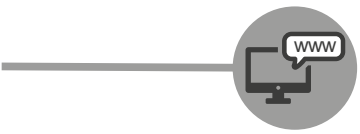
  N/A.

- ***How does the designated index differ from a relevant broad market index*?**

  N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A.



Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-grandchildren/a-eur-acc/fund-overview-and-characteristics

ANNEX III

Template pre-contractual 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

Product name: CARMIGNAC PORTFOLIO HUMAN XPERIENCE **Legal entity identifier:** 5493007I0FW5LM416K24

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:**	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It will make a minimum of **sustainable investments with a social objective:** 80%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

What is the sustainable investment objective of this financial product?

This Sub-Fund is classified as a financial product, as described in Article 9 of Sustainable Finance Disclosure Regulation ("SFDR"). It is a social thematic fund with a sustainable investment objective to invest 80% of the portfolio's net assets on a continuous basis in companies that obtain a score from 1 to 30 out of 100 in the investable universe based on customer and employee experience data.

To determine eligible issuers, a proprietary "CHX score" is used. This is a score between 1 and 100, with 1 being considered the best in terms of customer and employee experience and 100 the being considered the worst. It is calculated using a quantitative method based 50% on customer experience and 50% on employee experience. The extra-financial component of the analysis is mainly based on information made public via:

1. Surveys;
2. News flow
3. Reported company social metrics.

Eligible issuers are the ones with a CHX score between 1 and 30 out of 100.

No reference benchmark has been designated to demonstrate attainment of the sustainable investment objective. The objective is an absolute target to invest at least 80% of the portfolio's net assets into

companies on a continuous basis that obtain a score from 1 to 30 out of 100 inthe investable universe based on customer and employee experience data.

The attainment of the sustainable objective is ensured on a continuous basis through real time monitoring and controls and will be published monthly on the Sub-Fund's webpage.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

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

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

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), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) The amount the equity universe is reduced by: The investment universe for universe reduction purposes is composed of the MSCI ACWI, reduced by the number of companies for which there is not yet sufficient input from surveys, newsflows and filings, filtered through the liquidity and SRI exclusions, to obtain the investable universe (companies with a social score between 1 and 30/100 according to our proprietary scoring system). This universe is reduced by a minimum of 25% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, power generation and thermal coal mining. In addition, companies with a CHX score from 31 to 100 (rating from 1 to 100) are excluded.

Prior to reducing the investment universe as described above, the equities and corporate bond universes are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of the indices making up these universes and that of the Fund's portfolio. Each issuer is re-weighted according to the fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalization (small/mid/large)) allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the

fund's historical weightings over the last 5 years, considering sector, geography, and capitalization rotations.

3) Minimum of Sustainable investments: The Sub-Fund has a sustainable investment objective to achieve a positive social outcome by investing 80% of the portfolio's net assets in companies with a CHX score between 1 and 30 of the investable universe based on customer and employee satisfaction data according to our proprietary database. The extra-financial component of the analysis primarily draws on publicly disclosed information made public from :

1. Surveys,
2. News flow,
3. Reported company social metrics.

4) Active stewardship: ESG-related company engagements contributing to better awareness orimprovement 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.

5) Principal adverse impacts: 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 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, 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).

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

We use the following mechansims 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 are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, power generation and thermal coal mining. In addition, companies with a CHX score from 31 to 100 (rating from 1 to 100) are excluded.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse indicators are monitored on a quarterly basis. Adverse impacts are identified for degree of severity. After discussion with the investment team concerned 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.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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 its investments. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The screening process bases its controversy identification on the OECD Business Guidelines and UN Global compact principles and is commonly called Norms-based screening, integrating a strict flagging system 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.

Does this financial product consider principal adverse impacts on sustainability factors?

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.

✖ Yes

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 (chosen 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, 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.

To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. This info will be disclosed in annual reports.

What investment strategy does this financial product follow?

In order to achieve its investment objective, the Sub-Fund seeks to invest in equities of companies that exhibit strong 'human experience' characteristics. The investment theme is based on the conviction that companies with strong employee experience and customer experience will achieve superior long-term revenues. The Sub-Fund adopts a best-in-class sustainable investment approach to investment with a prominent focus on investee companies' social and environmental practices, by selecting the best issuers in the investable universe based on their differentiating management of customer and employee satisfaction.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to equity issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The Sub-Fund has a sustainable investment objective to achieve a positive social outcome by investing 80% of the portfolio's net assets in companies that obtain a score from 1 to 30 out of 100 in the investable universe based on customer and employee satisfaction data.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 25%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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.

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The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

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Portfolio climate targets: The Sub-Fund has portfolio climate targets to reduce its greenhouse gas ("GHG") emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund's portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference

for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

Good governance practices include sound management structures, employee relations, remuneration of staff ad tax compliance.

Additional KPIs: In order to comply with the requirements of the French ISR Label; the sub-fund aims to achieve a lower GHG intensity (as defined in the Principal Adverse Impact (PAI) indicators) and a lower CHX score (CHX score is rating from 1 to 100 with 1 being the best score) than its reference indicator.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The binding elements of the investment strategy used to select the investments to attain the sustainable objective are:

- 80% of the Sub-Fund's net assets are invested in companies that obtain a score from 1 to 30 out of 100 in the investable universe based on customer and employee satisfaction data;
- The equity investment universe is actively reduced by at least 25%; and
- ESG analysis applied to at least 90% of issuers.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

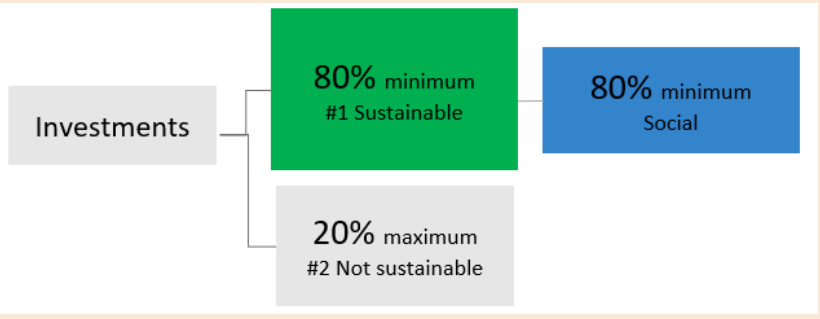
In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:

- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

The management company integrates these considerations into its engagements towards companies and it votes infavour of more transparency, for example through support for shareholder resolutions.

What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.



#1 Sustainable covers sustainable investments with environmental or social objectives.
#2 Not sustainable includes investments which do not qualify as sustainable investments.

A minimum proportion of 80% of the Sub-Fund is used to meet the sustainable objective of the Sub-Fund in accordance with the binding elements of the investment strategy.

The "# 2 Not sustainable investments" include cash and derivative instruments. These instruments are not used to achieve the sustainable objective of the Sub-Fund.

How does the use of derivatives attain the sustainable investment objective?

For attaining its sustainable objective, the Sub-Fund may invest directly in shares of companies, or use derivatives to achieve synthetic exposure to such companies and indices. In the case where single names derivatives are used for purposes other than hedging; i.e. investment purposes (to achieve synthetic exposure), the single security derivatives must be aligned with the SDGs, described above and included in our sustainable investment definition, for physical long positions

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 companies.

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

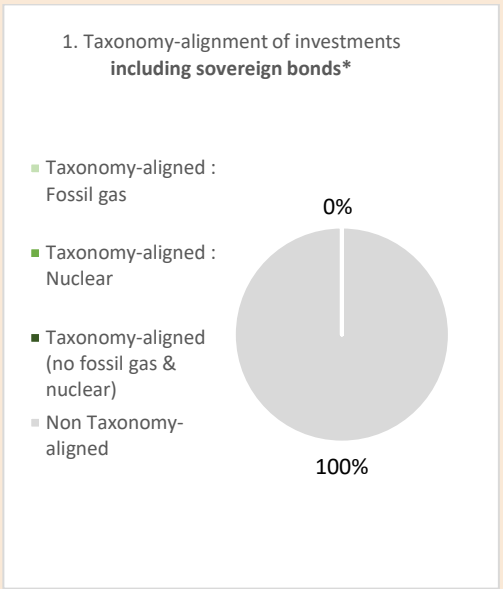
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[16]?

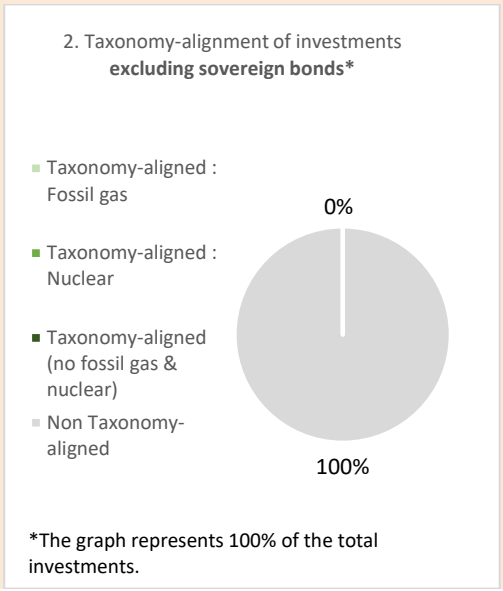
☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are 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.





*The graph represents 100% of the total investments.

[16] 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.

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 ad among others have greenhouse gas emission levels corresponding to the best performance.

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

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

What is the minimum share of investments in transitional and enabling activities?

As the Sub-fund does not have a minimum Taxonomy alignment there is no current minimum share of transitional and enabling activities .

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A.

What is the minimum share of sustainable investments with a social objective?

The minimum share of socially sustainable investments with a social objective is 80% of the Sub-Fund's net assets.
To the extent the Sub-Fund be invested in fixed income, the ESG analysis process (ESG integration, hard exclusions, voting, engagement...) and minimum social rating according to our proprietary database (1 to 30 out of 100) would be adhered to as well.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

In addition to sustainable investments, the Sub-Fund may invest in cash for liquidity management purposes and derivatives for hedging purposes. Environmental, social and governance considerations into synthetic exposure have been integrated through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivative or index derivatives.

Single name derivatives

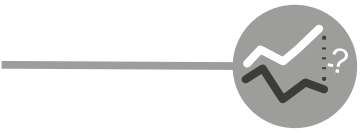
The Sub-Fund may enter into derivatives with a short exposure to a single underlying security ("single name") only for hedging purposes, i.e. covering the long exposure on that same issuer. Net short positions, i.e. situations where the short exposure on the underlying issuer is greater that the long exposure of the Sub-Fund on that same issuer, are prohibited. The use of short derivatives for purposes other than hedging is prohibited.

Index derivatives

Index derivatives purchased for hedging purposes are not analysed for ESG purposes.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The investments included under "#2 Not sustainable" abide by our firm-wide negative screening framework for minimum safeguards.



Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

N/A.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

  N/A.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  N/A.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

- ***How does the designated index differ from a relevant broad market index*?**

  N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-human-xperience/a-eur-acc/fund-overview-and-characteristics

ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO CHINA NEW ECONOMY **Legal entity identifier:** 549300ZHAA65D6UFNK67

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

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

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics by applying best-in-universe and best-efforts approaches to invest in a sustainable manner: 1) ESG integration, 2) Negative screening, 3) Active Stewardship and 4) 5) Monitoring of Principal Adverse Impacts. Secondly, it contributes positively to the environment through investments leading to climate change mitigation and adaptation.

The Sub-Fund has not designated a reference benchmark for the purposes of attaining the environmental and/or social characteristics.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted by the Sub-Fund :

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

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), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) The amount the equity universe is reduced by: The investment universe for universe reduction purposes is composed of listed Greater Chinese equities of around 6000-6500 stocks. This universe is reduced by a minimum of 20% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas extraction, weapons, and gambling related sectors. Equity portfolio positions with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.
Prior to reducing the investment universe as described above, the the equities and/or corporate bond investment universes, as applicable, are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of the indices making up these universes and that of the Sub-Fund's portfolio. Each issuer is re-weighted according to the fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalization (small/mid/large)) allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the fund's historical weightings over its recommended investment horizon, considering sector, geography, and capitalization rotations.

3) 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.

5) Principal adverse impacts: 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 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, 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).

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

While the Sub-Fund does not have a minimum percentage of sustainable investments it can make sustainable investments that seek environmental benefits such as climate change mitigation and adaptation, through investments in equities with low carbon emissions or solutions,

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

We use the following mechansims 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 are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas extraction, weapons, and gambling related sectors. Companies with an overall START rating of “D” or “E” (rating from "E" to "A") are excluded of the Sub-Fund’s investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund’s investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund’s investment universe. Companies rated “CCC” or "B"on the overall MSCI rating (from “E” to “A”) can reintegrate into the Sub-Fund’s investment universe if START rating is C or above.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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 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.

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

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour. The 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.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

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.

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 (chosen 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, 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).
To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

☐ No

What investment strategy does this financial product follow?

The Sub-Fund's investment strategy is to invest in equities issued by companies or issuers having their registered office or exercising a predominant part of their activity in Greater China including Mainland China, Hong Kong, Macao, Taiwan and Singapore ("Greater China"). The reference to the Chinese "New Economy" reflects the manager's desire to invest in a privileged manner in sectors of the Greater China economy not explicitly linked to the purely export industry component of the economy or traditional raw materials. This involves in particular, and without being limited to, investments in companies present in sectors linked to consumption, low-carbon energy, technological innovation and phenomena of urbanization and rising standard of living.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to equity issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 25%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas extraction, weapons, and gambling related sectors. Companies with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

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.

Portfolio climate targets: The Sub-Fund has portfolio climate targets to reduce its greenhouse gas ("GHG") emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund's portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference

for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics are:

- The equity investment universe is actively reduced by at least 20%;
- ESG analysis applied to at least 90% of issuers; and

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The committed minimum rate of investment universe reduction for equity is 20%.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

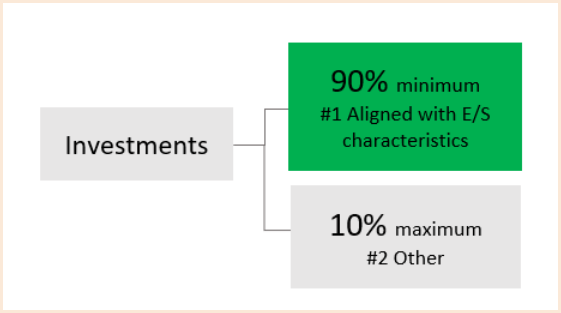
Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:

- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

What is the asset allocation planned for this financial product?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

Asset allocation describes the share of investments in specific assets.

A minimum proportion of 90% of the investments of this Sub-Fund is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy.

The #2 Other investments (in additional to cash and derivatives which may be used for hedging purposes, if applicable) are equity investments which are not classified as promoting environmental and social characteristics and certain derivative instruments (i.e., derivatives instrument used for a purpose other than attaining the sustainable investment (e.g. foreign exchange forwards/futures used to hedged currency risk). They are investments made strictly in accordance with the Sub-Fund's investment strategy and have the purpose of implementing the Sub-Fund's investment strategy. All such investments are made subject to ESG analysis and 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. These instruments are not used to achieve the environmental or social characteristics promoted by the Sub-Fund.

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 companies.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

The Sub-Fund does not use derivatives to attain the environmental or social characteristics it promotes.

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[17]?

☐ Yes :

☐ ☐

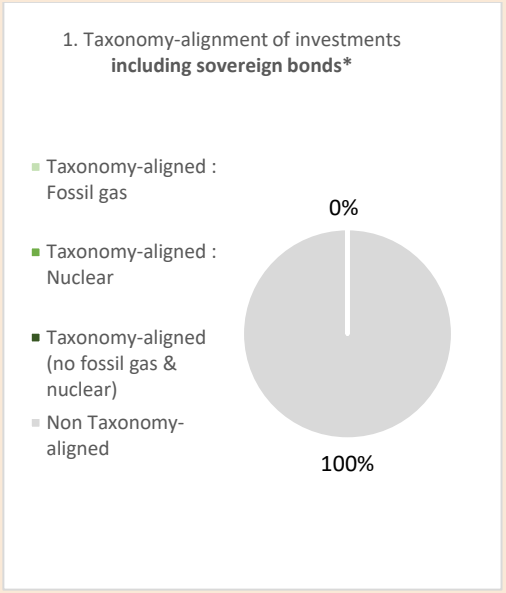
[17] Fossil gas and / or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and de not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil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

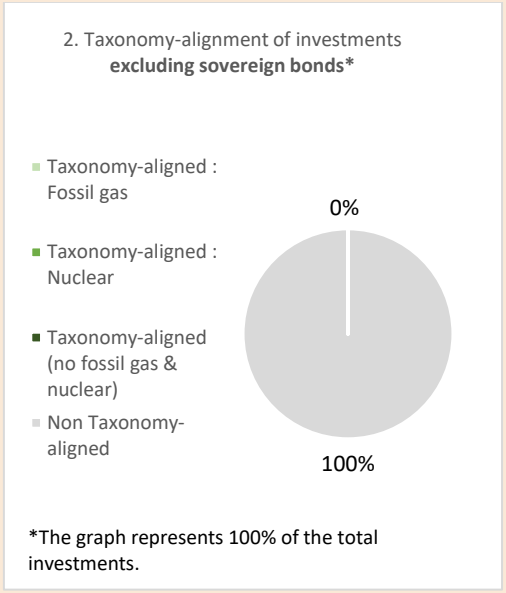
In fossil gas In nuclear energy

☒ No

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.

The two graphs below show in green the minimum percentage of investments that are 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*

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 is the minimum share of investments in transitional and enabling activities?***

N/A.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A.

What is the minimum share of socially sustainable investments?

N/A.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the Sub-fund, cash for liquidity management purposes as well as derivatives.

Environmental, social and governance considerations are integrated in synthetic instruments through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivatives or index derivatives.

Single name derivatives

The Sub-Fund may enter into derivatives with a short exposure to a single underlying security ("single name") only for hedging purposes, i.e. covering the long exposure on that same company or issuer. Net short positions, i.e. situations where the short exposure on the underlying company or issuer is greater that the long exposure of the Sub-Fund on that same copany or issuer, are prohibited. The use of short derivatives for purposes other than hedging is prohibited.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.
- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics, if it is to be held for more than one month:
    - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund's exclusion list.
    - Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund's exclusion list.

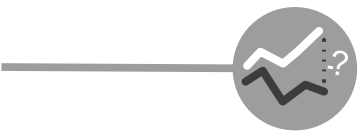
In addition, the weighted average ESG rating of the index must be above BBB (MSCI) or C (START), and the ESG coverage of the index (either MSCI or START) must be greater than 90%.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of the sub-fund's assets (excluding cash and derivatives) apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-Funds' assets.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A.

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

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A.

- ***How does the designated index differ from a relevant broad market index?***

N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-china-new-economy/f-eur-acc/fund-overview-and-characteristics

ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO MERGER ARBITRAGE PLUS
Legal entity identifier: 54930003PDBNOZ0PML48

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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of _% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics by applying best-in-universe and best-efforts approaches to invest in a sustainable manner: 1) ESG integration, 2) Negative screening through a universe reduction process, 3) Active Stewardship to promote Environment and Social characteristics, 4) Monitoring of Principal Adverse Impacts.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted by the Sub-Fund :

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), which includes internal and external ESG ratings, is applied to at least 90% of the long portfolio of equity holdings.

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

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) The amount the equity portfolio universe is reduced by: The investment universe for the purposes of universe reduction is MSCI WORLD index.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Companies having an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B"on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

Prior to reducing the investment universe as described above, the the equities and/or corporate bond, as applicable, investment universes are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of the indices making up these universes and that of the Sub-Fund's portfolio. Each issuer is re-weighted according to the fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalization (small/mid/large)) allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the fund's historical weightings over its recommended investment horizon, considering sector, geography, and capitalization rotations.

3) 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.

4) Principal adverse impacts: 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 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, 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).

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

While the Sub-Fund does not have a minimum percentage of sustainable investments it can make sustainable investments that seek environmental benefits such as climate change mitigation and adaptation.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

N/A.

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

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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 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.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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 its investments. This process aims to exclude from the investment universe companies that have committed gross controversies against the environment, human rights and international labour laws. The screening process bases its controversy identification on the OECD Business Guidelines and UN Global compact principles and is commonly called Norms 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 Ethix as the research data base.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

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 (chosen 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, 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).
To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

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.

☐ No

What investment strategy does this financial product follow?

In order to achieve its investment objective, the portfolio manager principally implements a fundamentally driven global equity market neutral strategy. The Sub-Fund combines top-down trends with bottom-up industry specific or company fundamentals, to generate asymmetric investment ideas, both on the long and the short side. The resulting net exposure of the Sub-Fund to equities may vary from -30% up to 30% of its net assets. The investment strategy is determined on the basis of a detailed financial analysis of the companies which the Sub-Fund may invest in. The selection of our long and short positions will be based on a deep dive fundamental analysis, which includes a thorough financial analysis, an analysis of the competitive landscape, the quality of the management team and close monitoring of business developments. Sector and country allocations are derived from the stock selection process.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to long equity positions. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Companies having an overall START rating of “D” or “E” (rating from "E" to "A") are excluded of the Sub-Fund’s investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund’s investment universe. Companies rated “CCC” or "B"on the overall MSCI rating (from “E” to “A”) can reintegrate into the Sub-Fund’s investment universe if START rating is C or above.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

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.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics are:

- ESG analysis applied to at least 90% of the long portfolio of equity holdings; and
- The Sub-Fund's equity portfolio universe is actively reduced.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit a minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

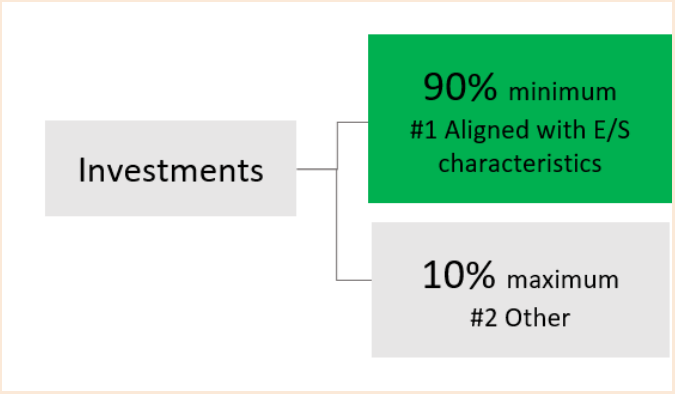
In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:

- Publish a global tax policy that outlines the company’s approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

What is the asset allocation planned for this financial product? *i*

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

A minimum proportion of 90% of the long portfolio of equity holdings is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy.

The other investment (in additional to cash and certain derivatives which may be used for efficient portfolio management and/or hedging purposes, if applicable) are equity, corporate bonds or sovereign bonds investments which are made strictly in accordance with the Sub-Fund's investment strategy. All such investments are made subject to ESG analysis (including through our ESG proprietary sovereign model for sovereign bonds) and for equity and corporate bonds 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. These instruments are not used to achieve the environmental or social characteristics promoted by the Sub-Fund.

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 companies.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The Sub-Fund does not use derivatives to attain the environmental or social characteristics it promotes.

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

The minimum level of taxonomy alignment, i.e. the minimum proportion of Sub-Fund’s net assets investments with an environental objective which is aligned the EU taxonomy is 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[18]?

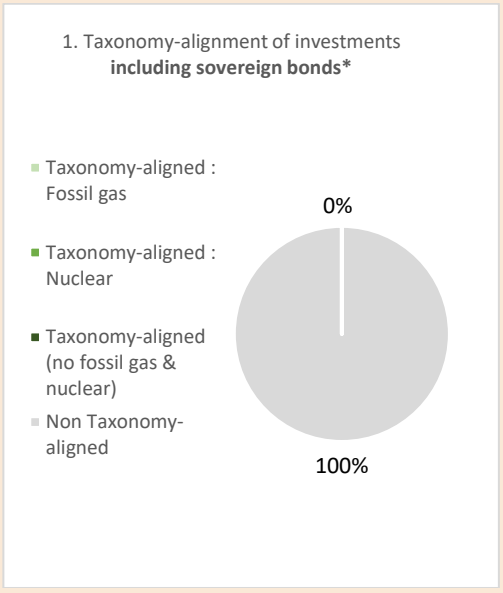
☐ Yes :

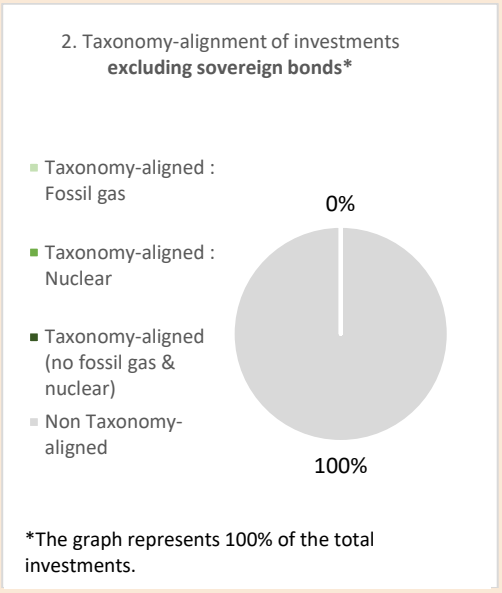
☐ In fossil gas ☐ In nuclear energy

☒ No

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 ad among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are 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 is the minimum share of investments in transitional and enabling activities?

N/A.

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

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A.

What is the minimum share of socially sustainable investments?

N/A.

[18] 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.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90% of the long book) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the Sub-fund, cash for liquidity management purposes as well as derivatives.

At issuer level, all assets are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy ("norms-based") screening. 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.

Environmental, social and governance considerations are integrated in synthetic instruments through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single issuer derivative or index derivatives.

Single stock derivatives

Derivatives with a short exposure to a single underlying security do not go through an additional ESG related checks. The underlying issuer may be present in the Sub-Fund's exclusion lists on the basis that signalling a lack of confidence in a business with poor ESG characteristics through shorting their security(ies) is considered reasonable in the pursuit of balancing shareholders' investment objectives. Such derivatives are not subject to a START rating.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.
- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics, if it is to be held for more than one month :
    - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund's exclusion list.
    - Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund's exclusion list.

In addition, the weighted average ESG rating of the index must be above BBB (MSCI) or C (START), and the ESG coverage of the index (either MSCI or START) must be greater than 90%.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of the sub-fund's assets (excluding cash and derivatives) apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-Funds' assets.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A.

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

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  N/A.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  N/A.

- ***How does the designated index differ from a relevant broad market index?***

  N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-merger-arbitrage-plus/a-eur-acc/fund-overview-and-characteristics

N/A.

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

ANNEX III

Template pre-contractual 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

Product name: CARMIGNAC PORTFOLIO TECH SOLUTIONS **Legal entity identifier:** 213800Y9VFYD3916WS51

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It will make a minimum of **sustainable investments with an environmental objective: 30%**	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It will make a minimum of **sustainable investments with a social objective: 5%**	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What is the sustainable investment objective of this financial product?

The Sub-Fund's sustainable objective is to invest at least 80% of the Sub-Fund's net assets in 1) securities related to companies that are considered aligned with relevant United Nations Sustainable Development Goals ("the SDGs") or 2) indices and baskets which are deemed sustainable as defined below. For attaining its sustainable objective, the Sub-Fund may invest directly in shares of such companies, or use derivatives to achieve synthetic exposure to such companies (or indices). The minimum levels of sustainable investments with environmental and social objectives are 30% and 5% of the Sub-Fund's net assets, respectively.

1) Alignment with the SDGs

Alignment with the SDGs 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

Further information on the methodologies:

Firstly, in order to determine which investee companies are aligned to the SDGs for "Products and Services" and "Capital expenditure", we have identified a robust business classification system and mapped 1700 different business activities. In addition, we use the SDG Compass, a resource created by GRI, the UN Global Compact and the World Business Council for Sustainable Development to identify business activities which contribute to each SDG. In addition, we have created Carmignac 'investable themes' based upon the business activities. Based on these themes, we have filtered through each business activity in the classification system, aligning the appropriate business activities with Carmignac's 'investable themes' and using the SDG targets to verify suitability. This has been reviewed by members of Carmignac's Sustainable Investment (SI) and Investment teams.

Secondly, in order to determine which investee companies are aligned to the SDGs for "Operations", we use an external scoring methodology to create an indicative operational alignment screen. Each investee company is assessed on each of the 17 SDGs and their performance is rated from -10 to +10 for each SDG. To calculate this score, for each SDG, there are (1) Positive indicators linked to evidence of policies, initiatives and targets with specific KPIs which result in positive additions to the scores, (2) Negative indicators, linked to controversies or adverse impacts which results in negative subtractions to the score and (3) Performance indicators which assess trajectory of performance which can be additive or negative for the score. The above three assessments are aggregated into a final score for each SDG between the aforementioned -10 to + 10 range. This means that each company has 17 scores, one for each SDG, between -10 and +10.

The entire range scale for operational alignment is divided into five result categories as follows:

- >5.0: Strongly Aligned
- Score between 2.0 and 5.0, inclusive: Aligned
- Score less than 2.0 but higher than (-2.0): Neutral
- Score equal to or less than (-2.0) but higher than (-10): Misaligned
- Score equal to (-10): Strongly Misaligned

Once the threshold for alignment for the Products and Services, Capital expenditure or Operational is met, the full weight of the holding is considered aligned.

The Sub-Fund has not designated a reference benchmark for the purposes of showing the attainment of the sustainable investment objective. The objective is an absolute target to invest 80% of net assets into companies on a continuous basis that are aligned to one of the aforementioned relevant SDGs according to the predefined revenue, capital expenditure or operational alignment thresholds.

The attainment of the sustainable objective is ensured on a continuous basis through monitoring and controls and will be published monthly on the Sub-Fund's webpage.

2) Sustainable Indices

An index or a basket is deemed sustainable when it meets the following two (2) criteria:

- Quality criteria: The underlying assets of an index or basket must have an average ESG rating of at least BBB on MSCI or at least C on Carmignac's proprietary ESG platform "START"; and
- Exclusion criteria:
  - For indices or baskets with five or less constituents, an index will be excluded if it has any constituents presented in the exclusion list.
  - For indices or baskets with more than five constituents, an index will be excluded if it has more than 20% of its constituents (weighted) presented in the exclusion list.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

This Sub-Fund uses 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), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", the following grid details the correspondence between the START numeric scores and START ratings:

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

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) Negative screening process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas extraction, and companies involved in gambling gambling.

3) Minimum of Sustainable investments: the Sub-Fund makes sustainable investments whereby a minimum of 80% of the Sub-Fund's net assets align positively with relevant SDGs or are invested in

sustainable indices. The minimum levels of sustainable investments with environmental and social objectives are 30% and 5% of the Sub-Fund's net assets, respectively.

4) 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.

5) Principal adverse impacts: 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 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, 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).

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

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

1) Negative screening process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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 extraction and companies involved in gambling.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The Principal Adverse indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team concerned, 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 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.

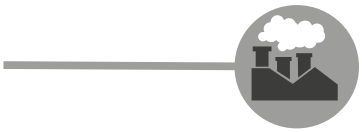
How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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 its investments. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The screening process bases its controversy identification on the OECD Business Guidelines and UN Global compact principles and is commonly called Norms-based screening, integrating a strict flagging system 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.



Does this financial product consider principal adverse impacts on sustainability factors?

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.

✖ Yes

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 (chosen 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, 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).

To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.

Please find in our PAI Policy the Table 1 (Annex 1 RTS), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

☐ No

What investment strategy does this financial product follow?

The Sub-Fund's investment strategy is to invest in the information technology sector. The fund invests globally in companies in this sector, including, for example, companies active in software, computer manufacturing, communication equipment, semiconductors and IT services.

The Sub-Fund has an active investment strategy that concentrates on selecting companies, where regional and theme analysis are also important parts of the strategy. The Sub-Fund has a long-term investment horizon and select those companies we find have an attractive valuation in relation to portfolio manager's view of the company's future earnings potential.

The Sub-Fund adopts a sustainable investment approach using best efforts selection process and both positive and negative screening to identify companies with long term sustainable growth criteria. The Sub-Fund makes sustainable investments whereby a minimum of 80% of the Sub-Fund's net assets, are invested in shares of companies that are considered aligned with relevant United Nations Sustainable Development Goals ("the SDGs") or sustainable indices. The minimum levels of sustainable investments with environmental and social objectives are 30% and 5% of the Sub-Fund's net assets, respectively.

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

d) **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

e) **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

f) **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.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

An index or a basket is deemed sustainable when it meets the following two (2) criteria:

- Quality criteria: The underlying assets of an index or basket must have an average ESG rating of at least BBB on MSCI or at least C on Carmignac's proprietary ESG platform "START"; and
- Exclusion criteria:

- For indices or baskets with five or less constituents, an index will be excluded if it has any constituents presented in the exclusion list.
- For indices or baskets with more than five constituents, an index will be excluded if it has more than 20% of its constituents (weighted) presented in the exclusion list.

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory). This applies to equity issuers. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below.

Negative screening process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas extraction and companies involved in gambling.

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.

Portfolio climate targets: The Sub-Fund has portfolio climate targets to reduce its greenhouse gas ("GHG") emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund's portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The binding elements of the investment strategy used to select the investments to attain the sustainable investment objective are:

- 80% of the Sub-Fund's net assets are invested in sustainable investments aligned positively with the United Nations Sustainable Development Goals or sustainable indices (as outlined above);
- The minimum levels of sustainable investments with environmental and social objectives are 30% and 5% of the Sub-Fund's net assets, respectively;
- A negative screening process is applied;
- ESG analysis applied to at least 90% of issuers.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

Good governance practices include sound management structures, employee relations, remuneration of staff ad tax compliance.

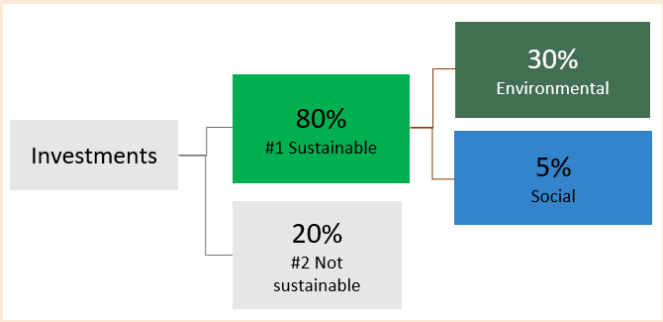
As for taxation, the Sub-Fund recognizes companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

In addition, as a signatory of the UN Principles for Responsible Investment (PRI), Carmignac would expect from the companies in which it invests to:

- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration that Carmignac increasingly integrates into our engagements with corporates and our votes for more transparency through, for example, support for shareholder resolutions.

What is the asset allocation and the minimum share of sustainable investments?



#1 Sustainable covers sustainable investments with environmental or social objectives.
#2 Not sustainable includes investments which do not qualify as sustainable investments.

Asset allocation describes the share of investments in specific assets.

A minimum proportion of 80% of this Sub-Fund's net asset is used to attain the sustainable objective of the Sub-Fund in accordance with the binding elements of the investment strategy.

The minimum levels of sustainable investments with environmental and social objectives are 5% and 30% of the Sub-Fund's net assets, respectively.

The "#2 Not sustainable investments" include cash and derivative instruments for hedging, i.e., derivatives instrument used for a purpose other than attaining the sustainable investment (e.g. foreign exchange forwards/futures used to hedged currency risk).

How does the use of derivatives attain the sustainable investment objective?

For attaining its sustainable objective, the Sub-Fund may invest directly in shares of companies, or use derivatives to achieve synthetic exposure to such companies and indices.

In the case where derivatives are used for purposes other than hedging; i.e. investment purposes (to achieve synthetic exposure), the following requirements apply in order for such derivatives instruments to be considered a sustainable investment:

- Exposure to Single security: the underlying security of the derivative instrument must be aligned with the SDGs described above.
- Exposure to Indices: the underlying index of the derivative instrument must be a sustainable index as described above.

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 companies.

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 ad among others have greenhouse gas emission levels corresponding to the best performance.

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

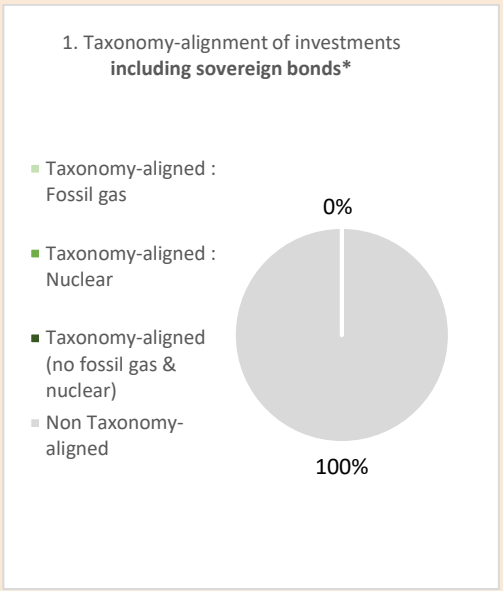
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[19]?

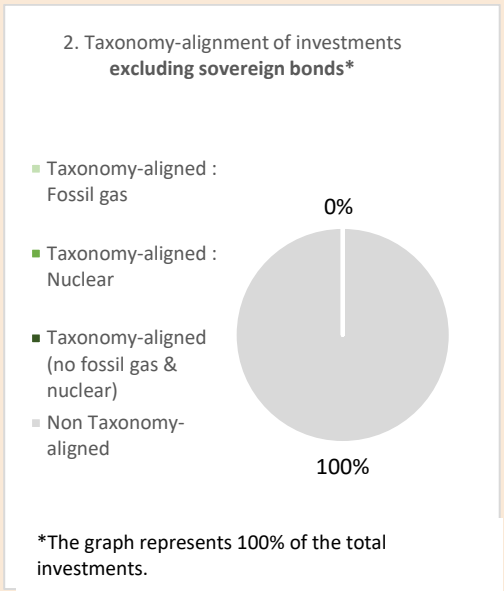
☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are 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*

[19] 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.

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

What is the minimum share of investments in transitional and enabling activities?

As the Sub-fund does not have a minimum Taxonomy alignment, there is currently no minimum share of investments in transitional and enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum level of sustainable investments with environmental objective that are not aligned with the EU Taxonomy is 30% of the Sub-Fund's equity assets.

What is the minimum share of sustainable investments with a social objective?

The minimum level of sustainable investments with social objective is 5% of the Sub-Fund's net assets.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

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

The investments included under "#2 Not sustainable" abide by our firm-wide negative screening framework for minimum safeguards.

A specific attention shall be given to the fact that the Sub-Fund has received one security in kind in a merger. This security is an American Depository Receipt ("ADR") on Norilsk Nickel, a Russian company, which cannot currently be disinvested due to the suspension of the settlement of any transaction by the central securities depository. This security has been valued at zero (nil) and thus, it represents currently 0.00% of the Sub-Fund's assets. It should be noted that this security does not represent a sustainable investment for the Sub-Fund. It will be disposed of immediately when the security can be sold.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

N/A

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

N/A

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A

***How does the designated index differ from a relevant broad market index*?**

N/A

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

  N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  N/A

- ***How does the designated index differ from a relevant broad market index*?**

  N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-tech-solutions/a-eur-acc/fund-overview-and-characteristics

ANNEX II

'emplate pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO ABSOLUTE RETURN EUROPE **Legal entity identifier:**

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

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.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics by applying best-in-universe and best-effort approaches to invest in a sustainable manner: 1) ESG integration, 2) Negative screening, 3) Active Stewardship to promote Environment and Social characteristics and 4) Monitoring of Principal Adverse Impacts.

The Sub-Fund has not designated a reference benchmark for the purposes of attaining the environmental and/or social characteristics.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Sub-Fund uses 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), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

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

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

Negative screening process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas extraction and companies involved in conventional weapons and gambling. Furthermore, companies having a START rating of E (rating from "E" to "A") on governance pillar are excluded of the Sub-Fund's investment universe.. If such securities have a START rating of C or above (rating scale from A to E); they might be included in the portfolio once an ESG analysis (which might entail engagement with issuer) has been performed.

3) 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.

4) Principal adverse impacts: 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 will be monitored at the portfolio level to show the impact of 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).

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

N/A. The Sub-Fund does not commit to make sustainable investments.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

N/A.

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

N/A.

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

N/A.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

The Sub-Fund 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 at the portfolio level 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).

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.

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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. Engagement with companies is tracked by the investment team and monitored quarterly to ensure progress is made. Disinvestment may be considered with a predetermined exit strategy within the confines of this aforementioned policy.

To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company.

☐ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The investment strategy is determined on the basis of a detailed financial analysis of the companies which the Sub-Fund may invest in. The selection of our long and short positions will be based on a deep dive fundamental analysis, which includes a thorough financial analysis, an analysis of the competitive landscape, the quality of the management team and close monitoring of business developments. Sector and country allocations are derived from the stock selection process. At least 51% of the portfolio is invested in equities. Up to 25% of its net assets may be invested, directly or indirectly, in equities of issuers from outside the European Economic Area, the United Kindgom and Switzerland, with up to 10% of net assets invested in emerging markets.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced through negative screening.

Negative screening process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas extraction and companies involved in conventional weapons and gambling. Furthermore, companies having a START rating of E (rating from "E" to "A") on governance pillar are excluded of the Sub-Fund's investment universe.. If such securities have a START rating of C or above (rating scale from A to E); they might be included in the portfolio once an ESG analysis (which might entail engagement with issuer) has been performed.

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.

Portfolio climate targets: The Sub-Fund has portfolio climate targets to reduce its greenhouse gas ("GHG") emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund's portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product are :

- ESG analysis applied to at least 90% of the long equity portfolio;
- Long Equity portfolio universe is actively reduced through negative screening; and

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-fund does not commit a minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

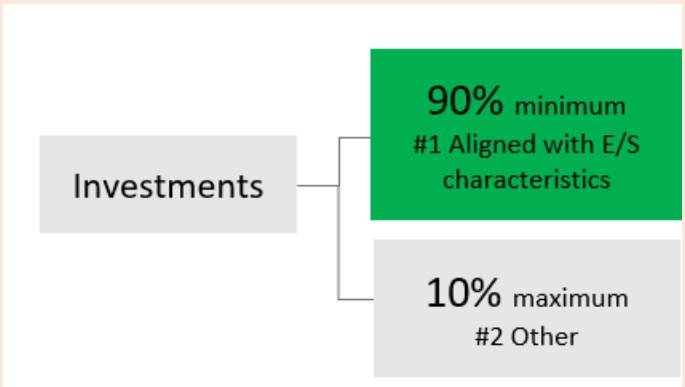
As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:
- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

A minimum proportion of 90% of the investments in the long equity portion of the portfolio of this Sub-Fund is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy.

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 companies.

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.

The #2 Other investments are long equity investments which are not used to achieve the environmental or social characteristics promoted by the Sub-Fund promote environmental or social characteristics. They are investments made strictly in accordance with the Sub-Fund's investment strategy and have the purpose of implementing the Sub-Fund's investment strategy.
All such 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.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

The Sub-Fund does not use derivatives to attain the environmental or social characteristics it promotes.

What is the minimum share of investments in transitional and enabling activities?

N/A.

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[20]?

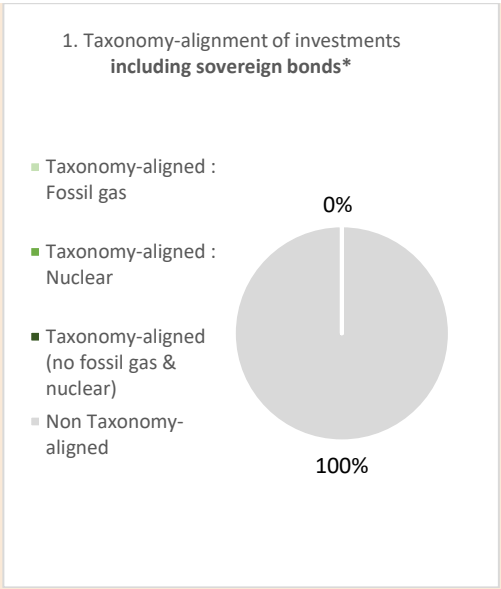
☐ Yes :

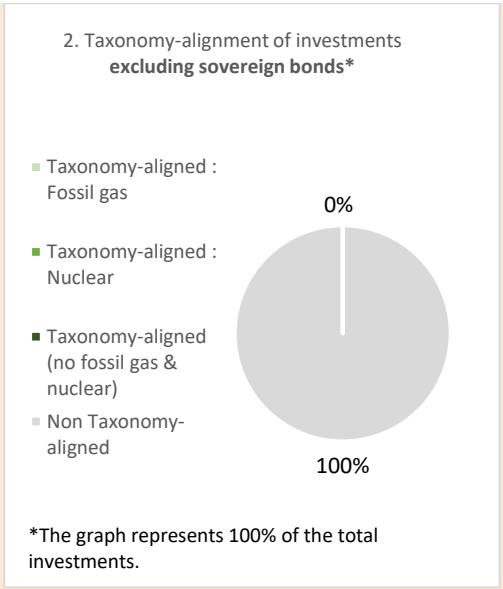
☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are 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.

[20] 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.





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

What is the minimum share of socially sustainable investments?

N/A.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the sub-fund, cash for liquidity management purposes and derivatives.

The Sub-Fund may also be invested in corporate bonds on an ancillary basis.

At issuer level (for equities and corporate bonds), non-sustainable assets are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy ("norms-based") screening. 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.

Environmental, social and governance considerations are integrated in synthetic instruments through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivatives or index derivatives.

Single name derivatives

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

Derivatives with a short exposure to a single underlying security do not go through an additional ESG related checks. The underlying issuer may be present in the Sub-Fund's exclusion lists on the basis that signalling a lack of confidence in a business with poor ESG characteristics through shorting their security(ies) is considered reasonable in the pursuit of balancing shareholders' investment objectives. Such derivatives are not subject to a START rating.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.
- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics; if it is to be held for more than one month:
    - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund's exclusion list.
    - Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund's exclusion list.

In addition, the weighted average ESG rating of the index must be above BBB (MSCI) or C (START), and the ESG coverage of the index (either MSCI or START) must be greater than 90%.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of the sub-fund's assets (excluding cash and derivatives) apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-Funds' assets.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

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

N/A.

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

N/A.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A.

- ***How does the designated index differ from a relevant broad market index?***

N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-absolute-return-europe/f-eur-acc/fund-overview-and-characteristics

ANNEX III

Template pre-contractual 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

Product name: Carmignac Portfolio Sustainable Bond Fund
Legal entity identifier: 213800FQZH4JYNCQWN08

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It will make a minimum of **sustainable investments with an environmental objective: 10%**	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It will make a minimum of **sustainable investments with a social objective: 5%**	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

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

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

What is the sustainable investment objective of this financial product?

The Sub-Fund's sustainable objective is to invest at least 80% of the Sub-Fund's net assets in sustainable investments defined as 1) corporate bonds aligned with the relevant United Nations Sustainable Development Goals ("the SDGs"), or 2) use of proceeds bonds such as green, social or sustainable corporate or sovereign bonds, as well as sustainability-linked bonds, and securitised products such as CLOs or 3) sovereign sustainable investments as defined by Carmignac proprietary ESG Sovereign model; or 4) indices and baskets which are deemed sustainable as defined below. For attaining its sustainable objective, the Sub-Fund may invest directly in securities of such issuers, or use derivatives to achieve synthetic exposure. The minimum levels of sustainable investments with environmental and social objectives are respectively 10% and 5% of the Sub-Fund's net assets.

1. Alignment with the SDGs

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

d) 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

e) 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

f) 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

2. Labelled and securitised bonds

Alignment with the sustainable objective for investments in use of proceeds bonds such as green, social or sustainable corporate or sovereign bonds and investments in sustainability-linked bonds; or securitised products such as Collaterised Loans Obligations (CLOs) is assessed through the lens of Carmignac's proprietary framework.

The Sub-Fund takes a holistic approach to evaluating sustainable bonds, including green, social, sustainability and sustainability-linked bonds. In addition to assessing the bond issuer's ESG profile and sustainability strategy through ESG, a sustainable bond must align with certain specific criteria for it to be categorised as a 'sustainable investment' under SFDR. Such criteria may include, but are not limited to, the assessment of the sustainability credentials of the issuer, the compliance with internationally recognised standard or certification (such as the International Capital Markets Association Principles or Guidelines, or the Climate Bonds Standards or Certification Scheme) and penalty step up for missing the sustainability targets.

The fund aims to allocate a minimum of 25% in labelled bonds, defined as, green, social, sustainability and sustainability-linked bonds.

3. Sovereign bonds

Alignment for sovereign sustainable investments is defined by Carmignac ESG proprietary sovereign model (countries with a score >= 2.8/5)

Carmignac proprietary ESG sovereign model uses both a quantitative and qualitative assessment to determine an ESG sovereign score. The quantitative score uses + 20 Environmental, Social and Governance indicators such as vulnerability to climate physical climate risks, human capital factors, political stability, etc. The quantitative score is supplemented by the Kuznets overlay to reduce the income bias. The qualitative analysis is then performed by the investment team and/or the ESG analyst. The quantitative and qualitative analysis results in a score from 0 (poor) to 5 (excellent). Countries with a score above 2.8/5 are considered sustainable investments.

4. Alignment with sustainable objectives for sustainable indices

An index or a basket is deemed sustainable when it meets the following two (2) criteria:

- Quality criteria: The underlying assets of an index or basket must have an average ESG rating of at least BBB on MSCI or at least C on Carmignac's proprietary ESG platform "START"; and
- Exclusion criteria:
  - For indices or baskets with five or less constituents, an index will be excluded if it has any constituents presented in the exclusion list.
  - For indices or baskets with more than five constituents, an index will be excluded if it has more than 20% of its constituents (weighted) presented in the exclusion list.

The Sub-Fund has not designated a reference benchmark for the purposes of showing the attainment of the sustainable investment objective.

The attainment of the sustainable objective is ensured on a continuous basis through monitoring and controls and will be published monthly on the Sub-Fund's webpage.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

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

This Sub-Fund uses 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), and the Carmignac ESG Sovereign model which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric scores and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) The amount the corporate and sovereign universe is reduced by: The investment universe of the Sub-Fund is composed of the ICE BofAML Global Corporate Index, ICE BofA Global High Yield Index, and ICE BofA Emerging Markets Corporate Plus Index. This amounts to around 2500 corporate issuers (excluding sovereign and quasi-sovereign issuers).This universe is reduced by a minimum of 25% through the application of the filters described below.

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, thermal coal mining, companies with GHG intensity >100g CO2 e/kwh as well as countries in the Belgian Label Exclusion list, and countries scoring below 2.5 in the Carmignac ESG proprietary sovereign model. Fixed income portfolio positions with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental , social or governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "CCC" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B" on the overall MSCI rating (from "CCC" to "AAA") can reintegrate into the Sub-Fund's investment universe if START rating is C or above. For securitisation instruments including CLOs ("collateralised loan obligations"), ad- hoc analysis of the environmental and/or social characteristics of eligible securitisation vehicles is carried out by the portfolio manager. This analysis results in a rating of eligible securitisation instruments in Carmignac's ESG platform, START. The fund cannot invest in the worst-scoring instruments.

Prior to reducing the investment universe as described above, the corporate bond universe is re-weighted in order to eliminate any bias that could lead to significant differences between the composition of the indices making up these universes and that of the Fund's portfolio. Each issuer is re-weighted according to the fund's historical weightings by sector and region (emerging markets/developed markets), allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the fund's historical weightings over the last 5 years, considering sector and geography rotations.

3) Minimum of sustainable investments: The Sub-Fund makes sustainable investments whereby a minimum of 80% of the Sub-Fund's net assets, in 1) corporate bonds aligned with relevant United Nations Sustainable Development Goals ("the SDGs"), or 2) use of proceeds bonds such as green, social or sustainable corporate or sovereign bonds, as well as sustainability-linked bonds, or securitised products such as CLOs or 3) sovereign sustainable investments as defined by Carmignac proprietary ESG Sovereign model, or 4) indices and baskets which are deemed sustainable. The minimum levels of sustainable investments with environmental and social objectives are respectively 10% and 5% of the Sub-Fund's net assets.

4) 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) participation at bondholder meetings.

5) Principal adverse impacts: 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 16 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, 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).

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

We use 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 are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, thermal coal mining, companies with GHG intensity >100g CO2e/kwh as well as countries in the Belgian Label Exclusion list, and countries scoring below 2.5 in the Carmignac ESG proprietary sovereign model. Fixed income portfolio positions with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental , social or governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "CCC" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B" on the overall MSCI rating (from "CCC" to "AAA") can reintegrate into the Sub-Fund's investment universe if START rating is C or above. For securitisation instruments including CLOs ("collateralised loan obligations"), ad-hoc analysis of the environmental and/or social characteristics of eligible securitisation vehicles is carried out by the portfolio manager. This analysis results in a rating of eligible securitisation instruments in Carmignac's ESG platform, START. The fund cannot invest in the worst-scoring instruments.

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, and (c) participation at shareholder and bondholder meetings.

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

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.

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team 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 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.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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 its investments. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The screening process bases its controversy identification on the OECD Business Guidelines and UN Global compact principles and is commonly called Norms-based screening, integrating a strict flagging system 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.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

Carmignac has committed to apply the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 16 mandatory and 2 optional environmental and social indicators (chosen 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, 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). In addition and where applicable, sovereign bond indictators: social violence and GHG intensity are monitored.
To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

☐ No

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The Sub-Fund aims to outperform the reference indicator by exposing the portfolio to interest rates and to international credit markets globally through investments in debt securities or money market instruments issued by international governments and corporations, or through derivatives.

The Sub-Fund adopts a sustainable investment approach using best in universe and best efforts selection process and both positive and negative screening to identify companies with long term sustainable growth criteria. The Sub-Fund makes sustainable investments whereby a minimum of 80% of the Sub-Fund's net assets, in 1) corporate bonds aligned with relevant United Nations Sustainable Development Goals ("the SDGs"), or 2) use of proceeds bonds such as green, social or sustainable corporate or sovereign bonds, as well as sustainability-linked bonds, or securitised products such as CLOs or 3) sovereign sustainable investments as defined by Carmignac proprietary ESG Sovereign model; 4) indices and baskets which are deemed sustainable. For attaining its sustainable objective, the Sub-Fund may invest directly in securities of such issuers, or use derivatives to achieve synthetic exposure. The minimum levels of sustainable investments with environmental and social objectives are respectively 10% and 5% of the Sub-Fund's net assets.

i. Alignment with SDGs

Alignment is defined for each company by meeting at least one of the following three thresholds:

- **d) 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
- **e) 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
- **f) 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.

These thresholds represent a significant intentionality of the investee company in regards to the contributing activity to the SDGs. In rare cases, an operational alignment score assigned to the investee company by the external scorer for any SDG may be incorrect due to outdated or incorrect information. Where the management company identifies such an irregularity, it may decide to correct the score and, subject to proper recording of this decision, apply the corrected score until the external scorer has corrected or updated the score. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

i. Labelled and securitised bonds

Investments in use of proceeds bonds such as green, social or sustainable corporate or sovereign bonds and investments in sustainability-linked bonds; and securitised products such as CLOs are assessed through the lens of Carmignac's proprietary framework. The Sub-Fund takes a holistic approach to evaluating sustainable bonds, including green, social, sustainability and sustainability-linked bonds. In addition to assessing the bond issuer's ESG profile and sustainability strategy through ESG, a sustainable bond must align with certain specific criteria for it to be categorised as a 'sustainable investment' under SFDR. Such criteria may include, but are not limited to, the assessment of the sustainability credentials of the issuer, the compliance with internationally recognised standard or certification (such as the International Capital Markets Association Principles or Guidelines, or the Climate Bonds Standards or Certification Scheme) and penalty step up for missing the sustainability targets. The fund aims to allocate a minimum of 25% in labelled bonds, defined as, green, social, sustainability and sustainability-linked bonds.

ii. Sovereign bonds

Sustainable investments as defined by Carmignac ESG proprietary sovereign model (countries with a score >= 2.8/5). Carmignac proprietary ESG sovereign model uses both a quantitative and qualitative assessment to determine an ESG sovereign score. The quantitative score uses + 20 Environmental, Social and Governance indicators such as vulnerability to climate physical climate risks, human capital factors, political stability, etc. The quantitative score is supplemented by the Kuznets overlay to reduce the income bias. The qualitative analysis is then performed by the investment team and/or the ESG analyst. The quantitative and qualitative analysis results in a score from 0 (poor) to 5 (excellent). Countries with a score below 2.5/5 are excluded from the investable universe. Countries with a score above 2.8/5 are considered sustainable investments.

iii. Alignment with sustainable objectives for Sustainable indices

An index or a basket is deemed sustainable when it meets the following two (2) criteria:

- Quality criteria: The underlying assets of an index or basket must have an average ESG rating of at least BBB on MSCI or at least C on Carmignac's proprietary ESG platform "START"; and
- Exclusion criteria:
  - For indices or baskets with five or less constituents, an index will be excluded if it has any constituents presented in the exclusion list.
  - For indices or baskets with more than five constituents, an index will be excluded if it has more than 20% of its constituents (weighted) presented in the exclusion list.

iv. **ESG analysis**

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory), as well as Carmignac ESG Sovereign model. The Environmental, Social and Governance analysis ("Integrated ESG Analysis") is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 25%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

v. Universe reduction process

The universe reduction process is as follows:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are 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) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, thermal coal mining, companies with GHG intensity >100g CO2 e/kwh as well as countries in the Belgian Label Exclusion list, and countries scoring below 2.5 in the Carmignac ESG proprietary sovereign model. Fixed income portfolio positions with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental , social or governance pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" or "B" (rating from "CCC" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B" on the overall MSCI rating (from "CCC" to "AAA") can reintegrate into the Sub-Fund's investment universe if START rating is C or above. For securitisation instruments including CLOs ("collateralised loan obligations"), ad- hoc analysis of the environmental and/or social characteristics of eligible securitisation vehicles is carried out by the portfolio manager. This analysis results in a rating of eligible securitisation instruments in Carmignac's ESG platform, START. The fund cannot invest in the worst-scoring instruments.

vi. **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, and (c) participation at shareholder and bondholder meetings.

vii. **Portfolio climate targets:** The Sub-Fund has portfolio climate targets to reduce its greenhouse gas ("GHG") emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund's portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The binding elements of the investment strategy used to select the investments to attain the sustainable investment objective are:

- 80% of the Sub-Fund's net assets are invested in sustainable investments 1) aligned positively with the United Nations Sustainable Development Goals (as outlined above); 2) Investments in use of proceeds bonds such as green, social or sustainable corporate, sovereign, quasi-sovereign and agency bonds and investments in sustainability-linked bonds, or securitised products such as CLOs; 3) sustainable investments as defined by Carmignac's ESG proprietary sovereign model (countries with a score >=2.8/5); or 4) indices and baskets which are deemed sustainable;
- The minimum levels of sustainable investments with environmental and social objectives are respectively 10% and 5% of the Sub-Fund's net assets;
- The fund aims to allocate a minimum of 25% in labelled bonds, defined as, green, social, sustainability and sustainability-linked bonds;
- Investment universe is actively reduced by at least 25%;
- ESG analysis applied to at least 90% of issuers.

What is the policy to assess good governance practices of the investee companies?

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac social indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

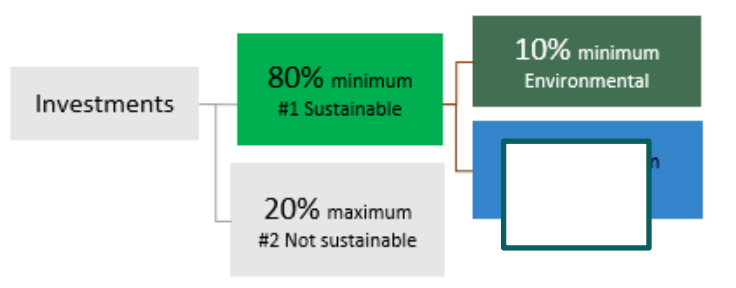
In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:

- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

What is the asset allocation and the minimum share of sustainable investments?

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 companies.



#1 Sustainable covers sustainable investments with environmental or social objectives.
#2 Not sustainable includes investments which do not qualify as sustainable investments.

A minimum proportion of 80% of this Sub-Fund's net assets is used to meet the sustainable objective of the Sub-Fund in accordance with the binding elements of the investment strategy. The minimum levels of sustainable investments with environmental and social objectives are respectively 10% and 5% of the Sub-Fund's net assets. 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.

How does the use of derivatives attain the sustainable investment objective?

For attaining its sustainable objective, the Sub-Fund may invest directly in the debt of companies, or use derivatives to achieve synthetic exposure to such companies and indices. In the case where single names derivatives are used for purposes other than hedging; i.e. investment purposes (to achieve synthetic exposure), the following requirements apply in order for such derivatives instruments to be considered a sustainable investment:

- Exposure to single security: the underlying security of the derivative instrument must be aligned with the sustainable investment criteria described above.
- Exposure to indices: the underlying index of the derivative instrument must be a sustainable index as described above.

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[21]?

Asset allocation describes the share of investments in specific assets.

☐ Yes :

☐ In fossil gas ☐ In nuclear energy

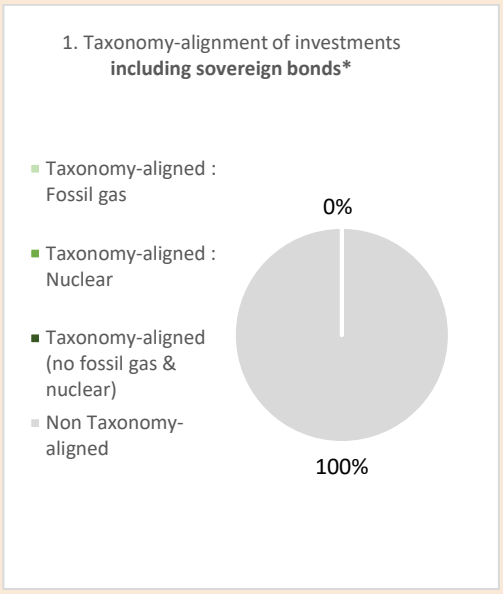
☒ No

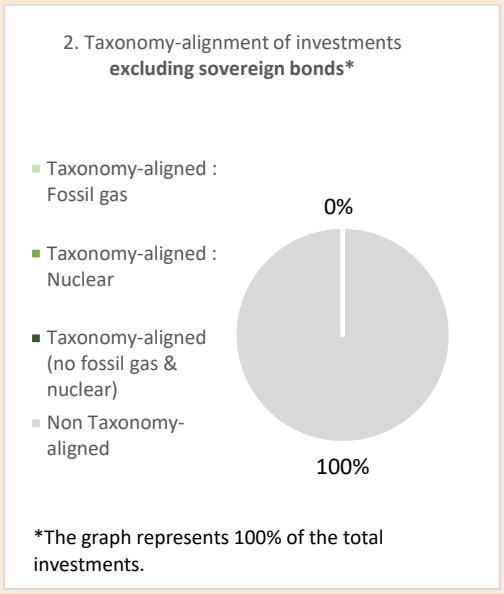
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the

[21] 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.

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

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*

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 ad among others have greenhouse gas emission levels corresponding to the best performance.

What is the minimum share of investments in transitional and enabling activities?

As the Sub-Fund does not have a minimum Taxonomy alignment there is no current minimum share of transitional and enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum level of sustainable investments with environmental objectives that are not aligned with the EU Taxonomy is 10% of the Sub-Fund's net assets.

What is the minimum share of sustainable investments with a social objective?

The minimum level of sustainable investments with social objectives is 5% of the Sub-Fund's net assets.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

In addition to sustainable investments, the Sub-Fund may invest in cash for liquidity management purposes. The Sub-Fund may also invest in derivatives instruments for hedging purposes.
The investments included under "#2 Not sustainable" abide by our firm-wide negative screening framework for minimum safeguards.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

N/A.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

  N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  N/A.

- ***How does the designated index differ from a relevant broad market index*?**

  N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-grande-europe/a-eur-acc/fund-overview-and-characteristics