SFDR-RELATED INFORMATION

ANNEX IV

Periodic disclosure template 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

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

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

Product name: CARMIGNAC ABSOLUTE RETURN EUROPE
Legal entity identifier: 96950047MB7CH61 F0D32

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Did this financial product have a sustainable investment objective?	
☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ 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 made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

TO WHAT EXTENT WERE THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS PROMOTED BY THIS FINANCIAL PRODUCT ATTAINED?

The fund applies a “best-in-universe” approach (identifying companies whose activities are sustainable) and a “best-efforts” approach (consisting in favouring issuers that exhibit an improvement or strong prospects in terms of ESG practices and performance over time) in order to invest sustainably via a strategy based on five pillars: 1) ESG integration, 2) negative screening, 3) active stewardship, 4) low-carbon target (as detailed below), and 5) monitoring of principal adverse impacts (PAIs). Moreover, it makes a positive environmental contribution thanks to investments leading to climate change mitigation and adaptation, in addition to its specific carbon emissions objective

No failures to achieve the environmental and social characteristics promoted were identified during the year.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

HOW DID THE SUSTAINABILITY INDICATORS PERFORM?

This fund uses sustainability indicators to measure the attainment of each of the environmental or social characteristics it promotes:

1) **Coverage rate of ESG analysis:** ESG integration, through ESG rating via Carmignac’s proprietary “START” (System for Tracking and Analysis of a Responsible Trajectory) platform, is applied to at least 90% of securities (excluding cash and derivatives). In 2023, the ESG analysis coverage rate was 100% of issuers, on average, based on quarter-end data.

2) **Reduction of the investment universe:**
   a. **Exclusions at management company level:** unsustainable activities and practices are identified using an approach based on international standards and rules in the following areas: (a) controversies concerning the OECD Guidelines, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the principles of the United Nations Global Compact, (b) controversial weapons, (c) thermal coal production, (d) energy producers, (e) tobacco, (f) adult entertainment.
   b. **Negative screening specific to the fund:**
      i. the fund applies extended exclusions or stricter exclusion criteria to the sectors of oil and gas extraction, conventional weapons and gambling.
      ii. The fund’s equity positions with an MSCI rating for the governance pillar of below 3.4 (on a scale from 0 to 10) or with carbon emissions over 168 tCO_2/EURm are excluded from the fund’s investment universe. Companies with a START score of C or above (on a rating scale of A to E) may re-enter the fund once the portfolio manager has carried out an ad-hoc analysis (which may entail engagement with the issuer). The table below details the correspondences between the MSCI and START ratings used by the fund for negative screening.

MSCI lower limit		START rating		MSCI upper limit
8	≤	A	≤	10

6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

In 2023, the portfolio universe was actively reduced.

3) **Active stewardship:** companies' environmental and social engagement efforts leading to an improvement in companies' sustainable development policies are measured using the following indicators: (a) level of active engagement and voting policies, (b) number of engagement efforts, (c) voting rate and (d) participation in shareholder (or bondholder) meetings.
In 2023, we engaged with 60 companies at Carmignac level, and 14 companies at Carmignac Absolute Return Europe level.

4) **Carbon emissions reduction target:** The fund seeks to achieve carbon emissions 30% lower than those of its composite benchmark (75% MSCI Europe, and 25% S&P 500), measured on a monthly basis by the carbon intensity (tCO_2/$m of revenue converted into euro, aggregated at portfolio level (scopes 1 and 2 of the GHG Protocol). In 2023, the carbon emissions of the Carmignac Absolute Return Europe fund were 53.8% lower than those of its reference benchmark, on average, based on quarter-end data.

5) **Principal adverse impacts – PAIs:** Moreover, as regards monitoring principal adverse impacts ("PAI"), and in accordance with Annex 1 to Commission Delegated Regulation (EU) 2022/1288, the fund monitors 14 mandatory environmental and social indicators, and 2 optional indicators to demonstrate the impact of sustainable investments with respect to these indicators: greenhouse gas (GHG) emissions, carbon footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel sector, share of 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 and radioactive waste ratio, water usage and recycling (optional choice), violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (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 pay ratio (optional choice).

In 2023, we replaced Impact Cubed with MSCI as our data provider for the monitoring of PAIs, as MSCI offered greater transparency and greater flexibility for the creation of our own tools using the raw data provided by MSCI. Please find below performance data with respect to the principal adverse impact indicators for 2023, based on average quarter-end data, for the portfolio's equity and corporate bond components:

PAI indicators	Based on data provided by the company	Fund	Hedging
Scope 1 GHG	Scope 1 GHG emissions	3,203.10	84%
Scope 2 GHG	Scope 2 GHG emissions	1,027.63	84%
Scope 3 GHG	From 1 January 2023, Scope 3 GHG emissions	23,798.58	84%
Total GHG	Total GHG emissions	28,008.96	84%

Carbon footprint	Carbon footprint	287.25	84%
GHG intensity level	GHG intensity of companies	652.16	84%
Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	5%	84%
Share of non-renewable energy consumption and production	Share of non-renewable energy consumptionand production of investee companies from non-renewable energy sources compared with renewable energy sources, expressed as a percentage	63%	68%
Energy consumption intensity per high impact climate sector – Total	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – Total	0.60	71%
Energy consumption intensity per high impact climate sector – NACE Sector A	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector A (Agriculture, forestry and fishing)	0.00	71%
Energy consumption intensity per high impact climate sector – NACE Sector B	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector B (Mining and quarrying)	0.00	71%
Energy consumption intensity per high impact climate sector – NACE Sector C	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector C (Manufacturing)	0.61	71%
Energy consumption intensity per high impact climate sector – NACE Sector D	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector D (Electricity, gas, steam and air conditioning supply)	2.08	71%
Energy consumption intensity per high impact climate sector – NACE Sector E	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector E (water supply, sewerage, waste management and remediation activities)	0.00	71%
Energy consumption intensity per high impact climate sector – NACE Sector F	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector F (Construction)	0.00	71%
Energy consumption intensity per high impact climate sector – NACE Sector G	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	0.13	71%
Energy consumption intensity per high impact climate sector – NACE Sector H	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector H (Transportation and storage)	3.12	71%
Energy consumption intensity per high impact climate sector – NACE Sector L	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector L (Real estate activities)	0.21	71%
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	1%	84%
Emissions relating to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.50	1%
Hazardous waste	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0.99	38%
Water usage and recycling	Average amount of water consumed and recovered by investee companies (in cubic metres) per million EUR of revenue	0.00	4%
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00	85%

Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.25	84%
Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	9%	24%
Board gender diversity	Average ratio of female to male board members in investee companies	40%	84%
Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00	84%
Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual).	210.67	64%

…AND COMPARED WITH PREVIOUS PERIODS?

This fund uses sustainability indicators to measure the attainment of each of the environmental or social characteristics it promotes:

1. **Coverage rate of ESG analysis:** ESG integration, through ESG rating via Carmignac's proprietary "START" (System for Tracking and Analysis of a Responsible Trajectory) platform, is applied to at least 90% of securities (excluding cash and derivatives). As at 30 December 2022, the ESG analysis coverage rate was 95.53%.

2. **Reduction of the investment universe:** negative screening and exclusions of unsustainable activities and practices, reflected in low ESG scores from START, MSCI and ISS ("Institutional Shareholder Services") ESG, are carried out on the basis of the following indicators: (a) practices that are harmful to society and to the environment, (b) controversies concerning the OECD guidelines and the UN Global Compact principles, (c) controversial weapons, (d) thermal coal production, (e) energy producers that have not set a target for alignment with the Paris Agreement, (f) companies involved in tobacco production and (g) companies involved in adult entertainment.

   a. The fund also applies exclusions linked to the gambling and conventional weapons sectors, oil and gas extraction, companies with a low governance score and companies with high carbon emissions in terms of carbon intensity compared with the average of the ESG reference benchmark. As at 30 December 2022, the portfolio universe was actively reduced.

3. **Active stewardship:** companies' environmental and social engagement efforts leading to an improvement in companies' sustainable development policies are measured using the following indicators: (a) level of active engagement and voting policies, (b) number of engagement efforts, (c) voting rate and (d) participation in shareholder (or bondholder) meetings. In 2022, we engaged with 81 companies at Carmignac level, and 8 companies at Carmignac Long Short European Equities level.

4. **Carbon emissions reduction target:** The fund seeks to achieve carbon emissions 30% lower than those of its composite benchmark (75% MSCI Europe, and 25% S&P 500), measured on a monthly basis by the carbon intensity (tCO_2/\$m of revenue converted into euro, aggregated at portfolio level (scopes 1 and 2 of the GHG Protocol). At 31 December 2022, the carbon emissions of the Carmignac Long Short European Equities fund were 34.47% lower than those of its reference benchmark.
   Moreover, as regards monitoring principal adverse impacts ("PAI"), and in accordance with Annex 1 to Commission Delegated Regulation (EU) 2022/1288, the fund monitors 14 mandatory environmental and social indicators, and two optional indicators to demonstrate the impact of sustainable investments with respect to these indicators: greenhouse gas (GHG) emissions, carbon footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel sector, share of 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 and radioactive waste ratio, water usage and recycling (optional choice), violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (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 pay ratio (optional choice). Sovereign issuers are monitored for violations of social norms and their GHG intensity.

Please find below performance data with respect to the principal adverse impact indicators for 2022, based on average quarter-end data, for the portfolio's equity and bond components:

PAI indicators	Based on data provided by the company	Fund	Hedging
Scope 1 GHG	Scope 1 GHG emissions	**2,767.50**	99%
Scope 2 GHG	Scope 2 GHG emissions	**5935**	99%
Scope 3 GHG	From 1 January 2023, Scope 3 GHG emissions	**166,017.50**	99%
Total GHG	Total GHG emissions	**174,720**	99%
Carbon footprint	Carbon footprint	**329.23**	99%
GHG intensity level	GHG intensity of companies	**661.4**	99%
Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	**1%**	99%
Share of non-renewable energy consumption	Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared with renewable energy sources, expressed as a percentage	**63%**	99%
Share of non-renewable energy production	Share of non-renewable energy production of investee companies from non-renewable energy sources compared with renewable energy sources, expressed as a percentage	**22%**	99%
Energy consumption intensity per high impact climate sector –Total	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector –Total	**0.085**	99%
Energy consumption intensity per high impact climate sector – NACE Sector A	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector A (Agriculture, forestry and fishing)	**N/A**	99%
Energy consumption intensity per high impact climate sector – NACE Sector B	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector B (Mining and quarrying)	**N/A**	99%
Energy consumption intensity per high impact climate sector – NACE Sector C	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector C (Manufacturing)	**0.12**	99%
Energy consumption intensity per high impact climate sector – NACE Sector D	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector D (Electricity, gas, steam and air conditioning supply)	**1.32**	99%
Energy consumption intensity per high impact climate sector – NACE Sector E	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector E (water supply, sewerage, waste management and remediation activities)	**N/A**	99%
Energy consumption intensity per high impact climate sector – NACE Sector F	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector F (Construction)	**N/A**	99%
Energy consumption intensity per high impact climate sector – NACE Sector G	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	**0.01**	99%
Energy consumption intensity per high impact	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector H (Transportation and storage)	**0.15**	99%

climate sector – NACE Sector H			
Energy consumption intensity per high impact climate sector – NACE Sector L	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector L (Real estate activities)	**0.425**	99%
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	**0%**	99%
Emissions relating to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	**32.175**	99%
Hazardous waste	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	**0.255**	99%
Water usage and recycling	Average amount of water consumed and recovered by the investee companies (in cubic metres) per million EUR of revenue	**458.6375**	99%
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	**0%**	99%
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	**37%**	99%
Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	**85%**	99%
Board gender diversity	Average ratio of female to male board members in investee companies	**35%**	99%
Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	**0%**	99%
Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual).	**93.2**	99%

WHAT WERE THE OBJECTIVES OF THE SUSTAINABLE INVESTMENTS THAT THE FINANCIAL PRODUCT PARTIALLY INTENDED TO MAKE AND HOW DID THE SUSTAINABLE INVESTMENT CONTRIBUTE TO SUCH OBJECTIVES?

N/A.

TO WHAT EXTENT DID THE SUSTAINABLE INVESTMENTS THAT THE FINANCIAL PRODUCT PARTIALLY MADE NOT CAUSE SIGNIFICANT HARM TO ANY ENVIRONMENTAL OR SOCIAL SUSTAINABLE INVESTMENT OBJECTIVE?

N/A.

HOW HAVE THE ADVERSE IMPACT INDICATORS BEEN TAKEN INTO ACCOUNT?

N/A.

ARE THE SUSTAINABLE INVESTMENTS COMPLIANT WITH THE OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES AND THE UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS? DETAILED DESCRIPTION:

N/A.

The EU Taxonomy sets out a "do no significant harm" principle whereby 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.

HOW DID THIS FINANCIAL PRODUCT TAKE PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS INTO CONSIDERATION?

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 management company is committed to applying the regulatory technical standards (RTS) referred to in Annex 1 of Delegated Regulation (EU) 202211288, which define 14 mandatory environmental and social indicators, and two optional indicators to demonstrate the impact of sustainable investments with respect to these indicators: greenhouse gas (GHG) emissions, carbon footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel sector, share of 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 and radioactive waste ratio, water usage and recycling (optional choice), violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (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 pay ratio (optional choice). Sovereign issuers are monitored for violations of social norms and their GHG intensity.

WHAT WERE THE TOP INVESTMENTS OF THIS FINANCIAL PRODUCT?

The list consists of the investments constituting **the greatest proportion of investments** of the financial product during the reference period, namely:

Please find below the top 15 investments for 2023 based on average month-end data:

Largest investments	Sector	% of assets	Country
PRADA SPA	Consumer discretionary	4.81%	Italy
ALCON	Healthcare	4.61%	Switzerland
MICROSOFT CORP	IT	3.73%	United States of America
ASR NEDERLAND	Finance	2.49%	Netherlands
OSRAM LICHT AG	Industry	2.20%	Germany
NESTLE SA	Consumer Staples	2.08%	Switzerland
SALESFORCE.COM INC	IT	2.00%	United States of America
FACEBOOK INC	Telecom Services	1.96%	United States of America
AMAZON.COM INC	Consumer discretionary	1.75%	United States of America
HEINEKEN NV	Consumer Staples	1.67%	Netherlands
SCHIBSTED ASA	Telecom Services	1.51%	Norway
PINTEREST INC- CLASS A	Telecom Services	1.45%	United States of America
SAP AG	IT	1.44%	Germany
CIE FINANCIERE RICHEMONT	Consumer discretionary	1.32%	Switzerland
UNIVERSAL MUSIC GROUP	Telecom Services	1.31%	Netherlands

WHAT PERCENTAGE OF INVESTMENTS WERE SUSTAINABILITY RELATED?

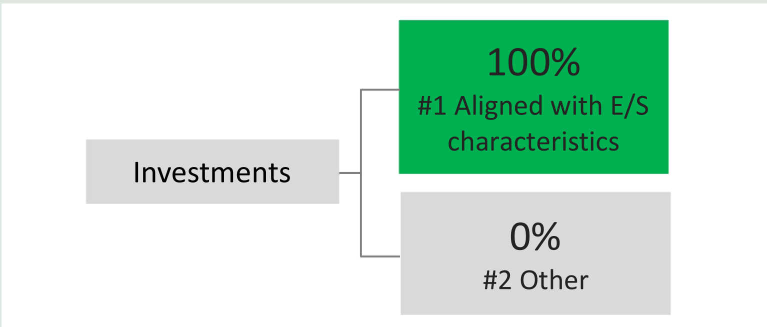
N/A.

Asset allocation describes the share of investments in specific assets.

WHAT WAS THE ASSET ALLOCATION?

At least 90% of the fund's positions are intended to attain the environmental or social characteristics it promotes, in accordance with the binding elements of the investment strategy. In 2023, the ESG analysis coverage rate was 100% of the securities in the portfolio (excluding cash and derivatives), on average, based on quarter-end data.

Share of "#2 Other" investments:
Where investments fall outside the minimum limit of 90% incorporating environmental and social characteristics, full ESG analysis may not have been carried out.



#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.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

IN WHICH ECONOMIC SECTORS WERE THE INVESTMENTS MADE?

Please find below the main economic sectors in which investments were made in 2023, based on average month-end data:

Economic sectors	% of assets (% Net exposure – average)
Consumer discretionary	20.79%
Industry	20.50%
Consumer Staples	19.63%
Healthcare	13.07%
Finance	9.07%
IT	450%
Telecom Services	4.33%
Cash	4.25%
Materials	2.87%
Utilities	0.81%
Property	0.18%
Energy	0.00%
Oil & Gas Equipment & Services	-0.01%

Source: Carmignac, 29/12/2023

TO WHAT EXTENT WERE THE SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE ALIGNED WITH THE EU TAXONOMY?

The minimum level of alignment with the Taxonomy, i.e. the minimum share of the fund's investments deemed to contribute on an ongoing basis to the above environmental objectives, is 0% of the assets. The actual level of alignment with the Taxonomy is calculated and published annually. The fund has an environmental objective linked to the Sustainable Development Goals and not to the European Taxonomy. In 2023, its alignment with the EU Taxonomy was 2.17%.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from the 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 the 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.

DID THE FINANCIAL PRODUCT INVEST IN FOSSIL GAS AND/OR NUCLEAR ENERGY RELATED ACTIVITIES COMPLYING WITH THE EU TAXONOMY?[1]

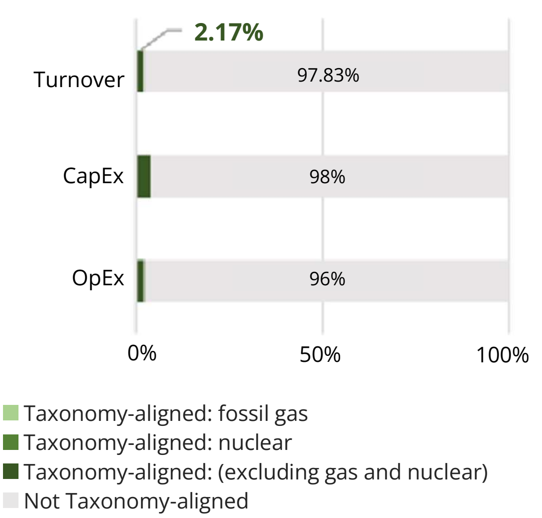
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

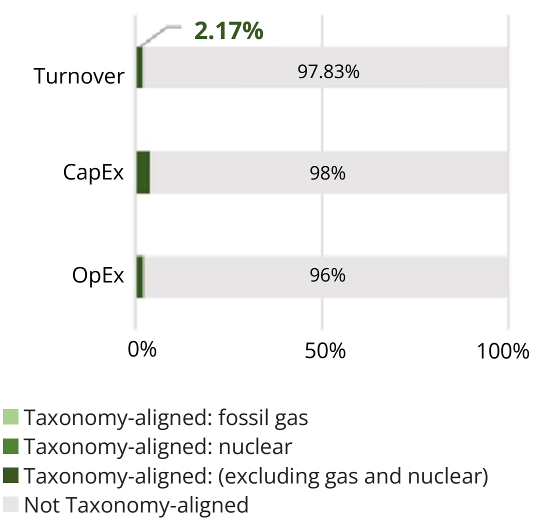
☒ No:

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

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents x% of the total investments

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective – 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 WAS THE SHARE OF THE INVESTMENTS MADE IN TRANSITIONAL AND ENABLING ACTIVITIES?

N/A.

HOW DID THE PERCENTAGE OF INVESTMENTS THAT WERE ALIGNED WITH THE EU TAXONOMY COMPARE WITH PREVIOUS REFERENCE PERIODS?

N/A.

WHAT WAS THE SHARE OF SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE THAT WERE NOT ALIGNED WITH THE EU TAXONOMY?

N/A.

WHAT WAS THE SHARE OF SOCIALLY SUSTAINABLE INVESTMENTS?

N/A.

WHAT INVESTMENTS WERE INCLUDED UNDER "OTHER", WHAT WAS THEIR PURPOSE AND WERE THERE ANY MINIMUM ENVIRONMENTAL OR SOCIAL SAFEGUARDS?

The remainder of the portfolio (i.e. beyond the minimum share of 90%) may also promote environmental and social characteristics but is not systematically covered by the ESG analysis. These assets may include derivatives or unlisted securities, for which the ESG analysis may be carried out after the financial instrument in question has been acquired by the fund. Cash (and equivalent instruments) and derivatives (used for hedging or exposure purposes) are also included under "#2 Other".

All of the fund's assets (excluding cash and derivatives) apply sectoral and standards-based negative screening and exclusions guaranteeing minimum environmental and social guarantees.

Moreover, the exclusion process ensuring compliance with the do no significant harm principle, lack of significant harm, and monitoring of adverse impacts apply to all fund 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 ACTIONS HAVE BEEN TAKEN TO COMPLY WITH THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS DURING THE REFERENCE PERIOD?

The actions below were carried out through the management company's mechanism in 2023 to support the investment process in accordance with environmental and social characteristics:

ESG integration

- We continued to develop our proprietary ESG system, known as START, which gathers together the raw ESG-related data for investee companies on a single interface, including impact, carbon and controversy data, and exclusive analyses by our analysts.
- We developed our methodology for alignment with the United Nations Sustainable Development Goals (SDGs) through operations, which we use for a wide selection of funds. This methodology helps us to assess the extent to which a company's operational practices are aligned with the United Nations SDGs.

Sustainable development report

- We added ESG data to our fund reports for our Article 8 and 9 funds, detailing the performance of ESG indicators against our reference benchmarks and the alignment of their investments with the UN Sustainable Development Goals.
- We further refined our focus to three key sustainable development themes: the climate (C), emancipation (E) and leadership (L). We published a guide for investee companies to our expectations in terms of ESG for these themes: https://carmidoc.carmignac.corniESGGUIDE_FR_fr.pdf

Commitments

- Having a 100% voting objective, we succeeded in participating in nearly 100% (95% in 2023) of all the possible votes at annual general meetings. We engaged with 60 companies on ESG matters and began to publish quarterly reports on the main voting statistics and examples of engagement efforts.
- Stewardship Code: We were approved by the FRC to become a signatory to the Stewardship Code by complying with all of the principles, as formalised in our annual stewardship report: https://carmidoc.carmignac.com/SWR_FR_fr.pdf
- Regulatory consultation: Comprehensive contribution to the European Commission's consultations, either directly, or through the working groups of our fund associations: EFAMA, AI, UK, Alfi Luxembourg and AFG, France. We were asked to present the French regulator with our methodology for reducing our investment universe based on ESG criteria without sector biases, which was adopted within the context of the industry's new guidelines.

Transparency

- We created a new sustainable investment centre on our website to showcase our ESG approach, policies and reports: https://wwvv.carmignac.fr/fr_FR/investissement-dura ble/apercu
- We have launched an ESG result calculator so that investors can assess the social and environmental contributions of their investments in our responsible and

sustainable funds. Our ESG result calculator is above all a teaching tool to help them to understand what their savings are indirectly financing. It reflects our commitment to transparency and reinforces our sustainable investment approach. It is available here: https://www.carmignac.frlfr_FR/investissement-durable/simulateur-investissement-responsable

Collaborative engagement

Carmignac believes that direct engagement and collaborative engagement are worthwhile, and that a combination of the two leads to the most impactful and effective engagement efforts. It is by working together that investors can have the most effective impact on the companies in the portfolio with regard to important ESG matters, including market-wide systemic risks, and ultimately help to improve the way the markets operate. We stepped up our participation in Climate 100+ with this in mind.

With regard to engagement specifically, we have a fiduciary duty to fully exercise our shareholder rights and engage with the companies in which we invest. Dialogue is maintained by the financial analysts, portfolio managers and ESG team. We believe that our engagement allows us to better understand how companies manage their non-financial risks and improve their ESG profile, while delivering long-term value creation for our clients, society and the environment. Each engagement action covers one of the following five topics: 1) ESG risks, 2) an ESG theme, 3) a desired impact, 4) controversial behaviour, or 5) a voting decision at a general meeting. Carmignac may collaborate with other shareholders and bondholders when doing so would help influence the actions and governance of companies held in the portfolio. Carmignac has introduced and maintains policies and guidelines to ensure the company correctly identifies, foresees and manages any situation constituting a potential or confirmed conflict of interest. For more information on our engagement policies, please visit the website.

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

In 2023, we engaged with 60 companies at Carmignac level, and 14 companies at Carmignac Absolute Return Europe level.
We engaged with L'Oréal SA in 2023. We are monitoring them to ensure that they maintain their commitment to responsible procurement, the gradual elimination of undesirable chemical products and the integration of environmental standards in their products.
This meeting was an opportunity for Carmignac to give the company feedback about their sustainable development strategy. The issuer has set ambitious objectives in terms of environmental and social performance indicators, and we acknowledge the progress made to date.

The key points discussed were as follows: Living wages in their supply chain; product safety; biodiversity objectives; use of biosourced products; sustainable packaging.
We are pleased to note that, contrary to some of its peers, the issuer has set objectives in its supply chain, in addition to its own operations. The issuer has also made significant progress by increasing the use of biosourced products and introducing rechargeable products.
We have nevertheless noted that the work on living wages in the employee supply chain is only just starting and we will therefore continue to monitor developments in this area.

HOW DID THIS FINANCIAL PRODUCT PERFORM COMPARED WITH THE SUSTAINABLE REFERENCE BENCHMARK?

N/A.

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

HOW DID THE REFERENCE BENCHMARK DIFFER FROM A BROAD MARKET INDEX?

N/A.

- ***HOW DID THIS FINANCIAL PRODUCT PERFORM WITH REGARD TO THE SUSTAINABILITY INDICATORS AIMED AT DETERMINING THE ALIGNMENT OF THE REFERENCE BENCHMARK WITH THE SUSTAINABLE INVESTMENT OBJECTIVE?***

N/A.

- ***HOW DID THIS FINANCIAL PRODUCT PERFORM COMPARED WITH THE REFERENCE BENCHMARK?***

N/A.

- ***HOW DID THIS FINANCIAL PRODUCT PERFORM COMPARED WITH THE BROAD MARKET INDEX?***

N/A.

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