

# Sustainability-related disclosures

## Carmignac Euro-Entrepreneurs

- a. **Summary:** This Fund has (E) environmental and (G) governance characteristics and promotes investment into companies which follow good governance practices in accordance with **Article 8** of the Sustainable Finance Disclosure Regulation (“SFDR”).
- b. **No sustainable investment objective:** This Fund promotes environmental or governance characteristics, and the Fund partially invests in sustainable investments. While the principal adverse impact indicators referenced in the Annex 1, of the Regulatory Technical Standards (RTS) are not currently specifically monitored until the ratification of the RTS, environmental harm and social harm can be identified and are monitored alongside governance indicators, the alignment to environmental and social goals as seen through the UN Sustainable Development Goals (SDGs) which is found in the quarterly Sustainability report published on the fund webpages and the Carmignac Responsible Investment website. Investments are screened to exclude companies that do not respect OECD business norms and UN Global compact principles on business and human rights.
- c. **Environmental or governance characteristics of the financial product:** This Fund promotes environmental and governance characteristics.
- d. **Investment strategy:** The Fund’s objective is to outperform its reference indicator (Stoxx Mid 200) and is an actively managed UCITS to select small and mid-cap stocks from PEA-eligible countries (member countries of the European Union, Iceland or Norway). The actions chosen are the result of the implementation of a process involving fundamental analysis and consideration of the governance of each company. Details on how the socially responsible investment approach is applied can be found on our [website](#) and our [“Responsible Investment” web page](#).
- e. **Proportion of investments:** The Fund's allocation to companies that contribute to environmental and governance characteristics can be identified in the Quarterly Sustainability Report.
- f. **Monitoring of environmental or governance characteristics:** The environmental and governance characteristics of the fund are monitored and published monthly via an ESG factsheet, and in the quarterly Sustainability report through the review of environmentally and socially harmful companies, the alignment to SDGs as measured by a company’s % revenue involvement, governance indicators and the carbon emissions measurement. The Fund’s annual report includes an assessment of ESG scores and carbon emissions compared to the Fund’s reference indicators as well as a discussion on the key engagements made during the year.
- g. **Methodologies:** There are three manners in which the Fund establishes environmental and governance characteristics. Negative screening through precise exclusion thresholds of energy sector companies and socially harmful sectors such as tobacco and arms and those with poor management of Environmental and Governance risks. The investment universe is also screened out for companies having higher carbon emissions than the average of the investment universe as well as companies that show poor corporate governance policies, in this manner the investment universe is reduced by a minimum of 20%. Companies are particularly selected for their strong corporate governance and corporate behaviour seen in through the quality of the company's management, their policies and their long-term vision. Carbon emissions are

monitored and published monthly to maintain the low carbon approach of 30% lower carbon emissions in the Fund compared to its reference indicator. Please consult the SRI guidelines for a full description of the Fund ESG process.

- h. **Data sources and processing:** The Fund uses several data sources that most particularly are aggregated into the Carmignac proprietary ESG System START. The sources are S&P Trucost for carbon data, TR Refinitiv for raw company ESG data, MSCI and Impact-Cubed for impact and SDG alignment data, ISS Ethix for UNGC and OECD Business and Human Rights Norms screening. The proportion of the data that is estimated can be found on the Quarterly Sustainability Report.
- i. **Limitations to methodologies and data:** The Fund's sustainability risk may differ from the sustainability risk of the Reference indicator.
- j. **Due diligence:** Over 90% of the Funds' assets (listed equities, and corporate bonds if relevant) are assessed for ESG score and risks. Proprietary analysis is combined with the ESG scoring process of Carmignac's proprietary system START. ESG analysis is verified under the 3rd party independent audit process as part of the national sustainability labels' requirements.
- k. **Engagement of policies:** Carmignac operates active voting and engagement policies that reflect their environmental, social and governance themes. The voting participation target is 100% of all possible votes. An Engagement plan is established to identify engagements with companies in which we are invested that show poor management of ESG related risks, where Carmignac has identified a specific theme, or where a specific impact or investigation of a controversy is required.
- l. **Designated reference benchmark:** The Fund has designated its reference indicator (Stoxx 200 Mid) as a reference benchmark. The reference indicator is a general market index and used as a benchmark to compare the Fund's sustainability performance, including carbon emissions, with the benchmark performance. The results are published on a monthly basis on our ["Responsible Investment" web page](#). A description and methodology and composition of the benchmark can be found in the Prospectus.

- **Fund inception date:** 01/10/1998
- **Reference indicator:** Stoxx 200 Mid
- **ISIN code (A EUR acc share class):** FR0010149112

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