



TRANSPARENCY CODE – FIXED INCOME

OCTOBER 2023

TRANSPARENCY CODE

FIXED INCOME:

Carmignac Patrimoine, Carmignac Portfolio Patrimoine, Carmignac Sécurité, Carmignac Portfolio Sécurité, Carmignac Portfolio Flexible Bond, Carmignac Portfolio Emerging Markets Debt and Carmignac Portfolio Global Bond

Statement of Commitment

Sustainable and Responsible Investing is an essential part of the strategic positioning and behaviour of Carmignac. We have been involved in SRI since 2012 and welcome the European SRI Transparency Code.

Compliance with the transparency code

David Older, Jacques Hirsch, Christophe Moulin, Marie-Anne Allier, Aymeric Guedy, Guillaume Rigeade, Eliezer Ben Zimra, Abdelak Adjirou and Alessandra Alecci, portfolio managers of the funds under the scope of this Transparency Code are committed to transparency and we believe that we are as transparent as possible given the regulatory and competitive environments that exist in the countries in which we operate. Carmignac meets the full recommendations of the CSRI Transparency Code.

29/09/2023

Carmignac Patrimoine, Carmignac Portfolio Patrimoine, Carmignac Portfolio Sécurité, Carmignac Sécurité, Carmignac Portfolio Flexible Bond, Carmignac Portfolio Emerging Market Debt and Carmignac Portfolio Global Bond					
Name of the fund(s):					
Dominant / preferred SRI strategy	Asset class	Exclusions standards and norms	Fund capital as at 29/09/2023	Labels	Links to relevant documents
<input type="checkbox"/> Best-in-Class Investment section <input checked="" type="checkbox"/> Engagement & Voting <input checked="" type="checkbox"/> ESG Integration <input checked="" type="checkbox"/> Exclusions <input type="checkbox"/> Impact Investing <input checked="" type="checkbox"/> Norms-Based Screening <input checked="" type="checkbox"/> Leading to exclusions <input checked="" type="checkbox"/> Leading to risk management analysis / engagement <input type="checkbox"/> Sustainability-Themed	Passively managed <input type="checkbox"/> Passive investing – core benchmark: specify the index tracking <input type="checkbox"/> Passive investing – ESG/SRI benchmark: specify the index tracking Actively managed <input type="checkbox"/> Shares in a euro area country <input checked="" type="checkbox"/> Shares in an EU country <input checked="" type="checkbox"/> International shares <input checked="" type="checkbox"/> Bonds and other debt securities denominated in euro <input checked="" type="checkbox"/> International bonds and other debt securities <input checked="" type="checkbox"/> Monetary assets <input checked="" type="checkbox"/> Short-term monetary assets <input type="checkbox"/> Structured funds	<input checked="" type="checkbox"/> Controversial weapons <input type="checkbox"/> Alcohol <input checked="" type="checkbox"/> Tobacco <input checked="" type="checkbox"/> Arms <input checked="" type="checkbox"/> Nuclear power <input checked="" type="checkbox"/> Human rights <input checked="" type="checkbox"/> Labour rights <input type="checkbox"/> Gambling <input checked="" type="checkbox"/> Pornography <input type="checkbox"/> Animal testing <input type="checkbox"/> Conflict minerals <input type="checkbox"/> Biodiversity <input type="checkbox"/> Deforestation <input checked="" type="checkbox"/> CO2 intensive (including coal) <input type="checkbox"/> Genetic engineering <input checked="" type="checkbox"/> Other (please specify) <input checked="" type="checkbox"/> Global Compact <input checked="" type="checkbox"/> OECD Guidelines for MNCs <input checked="" type="checkbox"/> ILO Conventions <input type="checkbox"/> Other (please specify)	Carmignac Patrimoine: 6,709.95 m€ Carmignac Portfolio Patrimoine: 1,322.70m€ Carmignac Portfolio Sécurité: 1,3238.88 m€ Carmignac Sécurité : 4,703.10 m€ Carmignac Portfolio Flexible Bond: 1,292.10 m€ Carmignac Portfolio Emerging Markets Debt: 227.02 m€ Carmignac Portfolio Global Bond: 756.20 m€	<input type="checkbox"/> French SRI label <input type="checkbox"/> French TEEC label <input type="checkbox"/> French CIES label <input type="checkbox"/> Lux flag Label <input type="checkbox"/> FNG Label <input type="checkbox"/> Austrian Ecolabel <input type="checkbox"/> Belgian Quality Standards label	<ul style="list-style-type: none"> • KIID, Prospectus • Weekly, quarterly, and annual reports • Monthly factsheet (Including ESG factsheet) Can be found for: Carmignac Patrimoine https://www.carmignac.lu/en_GB/funds/carmignac-patrimoine/a-eur-acc/fund-overview-and-characteristics Carmignac Portfolio Patrimoine https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-patrimoine/a-eur-acc/fund-overview-and-characteristics Carmignac Portfolio Sécurité https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-securite/a-eur-acc/fund-overview-and-characteristics Carmignac Sécurité https://www.carmignac.lu/en_GB/funds/carmignac-securite/a-eur-acc/fund-overview-and-characteristics Carmignac Portfolio Flexible Bond https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-flexible-bond/a-eur-acc/fund-overview-and-characteristics Carmignac Portfolio Emerging Markets Debt https://www.carmignac.co.uk/en_GB/funds/carmignac-portfolio-em-debt/w-eur-acc/fund-overview-and-characteristics Carmignac Portfolio Global Bond https://www.carmignac.fr/en_GB/funds/carmignac-portfolio-global-bond/a-eur-acc/fund-overview-and-characteristics

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1. GENERAL INFORMATION ABOUT THE FUND MANAGEMENT COMPANY

1.1. NAME OF THE FUND MANAGEMENT COMPANY THAT MANAGES THE APPLICANT FUND(S)

The fund management company is Carmignac Gestion SA.

For the French Mutual Funds (FCP), Carmignac Patrimoine, Carmignac Sécurité:

CARMIGNAC GESTION 24, place Vendôme - F-75001 Paris - Tél: (+33) 01 42 86 53 35

Investment management company approved by the AMF

Public limited company with share capital of € 15,000,000 - RCS Paris B 349 501 676

For the sub-funds of the Luxembourg SICAV Luxembourg SICAV Carmignac Portfolio Patrimoine, Carmignac Portfolio Sécurité, Carmignac Portfolio Flexible Bond, Carmignac Portfolio Emerging Markets Debt and Carmignac Portfolio Global Bond:

CARMIGNAC GESTION Luxembourg

City Link - 7, rue de la Chapelle - L-1325 Luxembourg - Tel : (+352) 46 70 60 1

Subsidiary of Carmignac Gestion - Investment fund management company approved by the CSSF

Public limited company with share capital of € 23,000,000 - RC Luxembourg B 67 549

1.2. WHAT ARE THE COMPANY'S TRACK RECORD AND PRINCIPLES WHEN IT COMES TO INTEGRATING SRI INTO ITS PROCESSES?

Carmignac empowered through its independence and transparency since 1989, has maintained a long-held practice of investing responsibly, aware of its corporate duty to its investors and stewardship as a leader in the European fund management industry. Amongst its ethical values in respect to society and to the environment, Carmignac has for decades excluded tobacco producers and coal miners from the investment universe of the most part of its fund range.

As Risk Managers, Carmignac seeks to mitigate as many risk factors as it can identify. This very resolutely includes risks associated with poor governance and shareholder underrepresentation, social issues such as health and safety, and environmental challenges particularly in respect of fossil fuel reserves.

Since 2012, Carmignac, as a UNPRI signatory (United Nations Principles of Responsible Investment) and a French investment firm (under the French government's directive Grenelle II Law, art 224-238, 2010), has raised the level of its transparency regarding the application of Environment, Social and Governance (ESG) criteria in its investment process. Each UNPRI principle has been implemented across all its Fund range.

https://www.carmignac.lu/en_GB/about-us/socially-responsible-investment-sri-3450

1.3. HOW DOES THE COMPANY FORMALISE ITS SUSTAINABLE INVESTMENT PROCESS?

Carmignac formalises its Sustainable investment process through several policies:

- 100% ESG integration policy
- Exclusion Policy
- Voting and Engagement Policies
- Climate and Carbon report Policies

Which can be found at https://www.carmignac.fr/en_GB/responsible-investment/template-hub-policies-reports-4528

These policies are implemented across the whole fund range.

Our Sustainable Investment resources

Carmignac has a dedicated Sustainable Investment team headed by Llyod McAllister. He reports to Maxime Carmignac, Chief Executive Officer of Carmignac UK Ltd, member of the Executive Board of Carmignac, who leads the sustainable investment strategy at the corporate level and fund level innovation and ESG solutions. The role of the Head of Sustainable Investment is to oversee the implementation of the sustainable investment process and practices, investor communication, fund labelling process, affiliations, industry thought leadership and new product innovation. The Sustainable Investment team is responsible for the ESG framework, fund specific research, ESG thematic and targeted research, active investee company engagements, voting practices and leads industry thought leadership. The Sustainable Investment team is also supported by an experienced, dedicated ESG product specialists team employed within our Product team. Our team organisation can be found below:

SUSTAINABLE INVESTMENT TEAM

LEADERSHIP



MAXIME CARMIGNAC

- Chief Executive Officer of Carmignac UK Ltd
- Member of the Carmignac Executive Board
- Chair of the Strategic Product Committee



LLOYD MCALLISTER

- Joined in December 2022
- Head of ESG Research at Newton IM
- Sustainability Consulting Manager at KPMG LLP
- 15 years of experience in ESG

ESG ANALYSTS



WILLIAM BENOIT

- ESG Analyst
- Equity Focus / Environmental Topics
- 5 years of experience in ESG



CORMAC MCKENNA

- ESG Data Analyst
- Climate Topics
- 3 years of experience in ESG



MARION PLOUHINEC

- Senior ESG Analyst
- Fixed Income Focus / Governance Topics
- 9 years of experience in ESG



RITA WYSHELESKY

- ESG Analyst
- Social Topics
- 4 years of experience in ESG
- 4 years of experience in Audit and consulting

SUSTAINABLE INVESTMENT SPECIALISTS



CANDICE BOCLÉ

- Head of Sustainable Investment Specialists
- Focus on ESG Products/Regulation/Reporting
- 14 years of experience in ESG



RAPHAËLLE CIMON

- Sustainable Investment Specialist
- RFP/Labels/Universe Reductions
- 2 years of experience in ESG



MARGAUX VILON

- Sustainable Investment Specialist Intern
- ESG Documentation/Client Requests
- 1 year of experience in ESG

1.4. HOW ARE ESG RISKS AND OPPORTUNITIES – INCLUDING THOSE LINKED TO CLIMATE CHANGE – UNDERSTOOD/TAKEN INTO ACCOUNT BY THE COMPANY?¹

Mainstream ESG approach

As of 29/09/2023, about 90% % of our assets under management consider ESG criteria.

In July 2020, Carmignac launched a firm wide proprietary ESG research system called START that enables us to systematically integrate ESG research into the investment process.

This system aggregates key ESG information: carbon emissions data, raw company ESG data, external ratings, impact statistics and a controversies data source. The portfolio managers and analysts' proprietary research offer human insight and a forward-looking approach to the automated ESG scoring system START. ESG scores are calculated according to a proprietary algorithm of reported raw company ESG indicators that are sorted for our predefined peer group (capitalization, region and 90 sub-industry groups). START sits inside our Verity front-office portal. These quantitative assessments are augmented by a written investment rationale composed by the investment team or the ESG Analysts in the START system, as well as any granular commentary of ongoing ESG risks.

¹ Reference to Article 173 of the French TECV Act and the TCFD recommendations (risks and opportunities section)

*The proprietary ESG system START combines and aggregates market leading data providers ESG indicators. Given the lack of standardization and reporting of some ESG indicators by public companies, not all relevant indicators can be taken into consideration. START provides a centralized system whereby Carmignac's proprietary analysis and insights related to each company are expressed, irrespective of the aggregated external data should it be incomplete.

Our ESG research system is built on a framework based on past academic research and the work of various industry bodies such as the Sustainable Accounting Standards Board (SASB), Global Reporting Initiative (GRI), to conduct comprehensive ESG analysis. We believe that this integration reduces the potential negative financial impact on companies' valuations, and we hope to capture rising momentum when companies are improving ESG related risks.

Carbon emissions are monitored and measured for each equity fund annually as well as on an ongoing basis on the Portfolio Management tool CMGR, which enables scenario analysis at portfolio level when adding and reducing positions. Since October 2020, our funds carbon emissions are also measured through the START platform and reported monthly for our SRI and ESG thematic funds. Individual carbon reports can be found in the annual reports of each fund as well as on our specific SRI website. Through our energy-related exclusions, seen below, the firm limits exposure to potential stranded assets and transition risks due to climate change.

A negative screening is applied, according to the following parameters. These firm-wide exclusions are updated quarterly and are hard-wired into our portfolio management system. In this manner we exclude sectors, activities, or countries that we believe embed significant ESG risks.

- Controversial weapon manufacturers whose products do not comply with treaties or legal bans
- Tobacco producers: wholesale distributors and suppliers with revenues over 5% from such products
- Thermal coal miners with over 10% revenues or 20 million tonnes from extraction
- Power generators that produce more CO₂/kWh than the defined thresholds aligned with the Paris Agreement and that can be found in our exclusion policy
- Adult entertainment and pornography producers and distributors with over 2% revenues from such product
- International Global Norms violations including OECD Business Principle, ILO Principles and UNGC Principles.

Treatment of controversies - A controversy does not necessarily trigger a sell of the given position. Environmental accidents are never easy to predict but lessons can be learned, and companies can improve. That is why we believe that an ESG approach solely based on favouring ESG best-in-class, green sectors, etc., shows a good sign to corporates to behave better, but is not necessarily the only way. We, as investors, should not systematically leave the bad student behind. As shareholders, we can influence and interact with companies, starting simply with participating in all shareholder votes, with a sustainability objective and maintaining a strong focus on looking beyond short-term performance or dividend payment.

Carmignac has committed to an active voting and engagement policy that has been integrated into the Investment Management Team's internal guidelines. Engagements may occur with the Management of the companies in which we invest and often include engagement on environmental issues and carbon emission transparency:

Carmignac has committed to a quarterly engagement program targeting specific actions within the possibility of 5 different types of engagements:

1. ESG risk related engagement

2. Thematic engagement
3. Impact engagement
4. Controversial behaviour engagement
5. Proxy voting decision engagement

These engagements are registered internally. Important engagements are documented in the funds' annual report. In addition, a summary Engagement Report is published on our website denoting type, region, and sector of Engagement.

https://www.carmignac.lu/en_GB/responsible-investment/template-hub-policies-reports-4528

Funds with a Socially Responsible approach

Carmignac also offers a range of funds that adopt a Socially Responsible approach noted in the funds' prospectuses. Negative screening, through Norms based, ethical and climate related exclusions, and positive social and environmental screening, active voting policy and low carbon emissions policies have been adopted within the strategies. There are also an increased range of ESG thematic funds.

The fund information can be found in the following links or through our dedicated Sustainable Investment (SI) web page: https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526

SRI Funds Article 8 Funds in accordance with SFDR 2019/2088 as of 1st of October 2023

- **Carmignac Portfolio Family Governed (ESG Thematic Fund - Global Markets – Equities)**
https://www.carmignac.fr/en_GB/funds/carmignac-portfolio-family-governed/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Portfolio Emerging Patrimoine (Emerging Markets – Mixed)**
<https://www.carmignac.fr/en/carmignac-portfolio-emerging-patrimoine-a-eur-acc>
- **Carmignac Portfolio Patrimoine Europe**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-patrimoine-europe/a-eur-acc/fund-overview-and-characteristics
- **Carmignac China New Economy**
https://www.carmignac.fr/en_GB/funds/carmignac-china-new-economy/f-eur-acc/fund-overview-and-characteristics
- **Carmignac Portfolio China New Economy**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-china-new-economy/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Patrimoine (Global Markets – Mixed)**
https://www.carmignac.lu/en_GB/funds/carmignac-patrimoine/a-eur-acc/fund-overview-and-characteristics

- **Carmignac Portfolio Patrimoine (Global Markets – Mixed)**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-patrimoine/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Sécurité (European Markets – Fixed Income)**
https://www.carmignac.lu/en_GB/funds/carmignac-securite/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Portfolio Sécurité (European Markets – Fixed Income)**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-securite/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Portfolio Flexible Bond (Global Markets – Fixed Income)**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-flexible-bond/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Portfolio Global Bond (Global Markets – Fixed Income)**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-global-bond/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Long- Short European Equities (European Markets – Mixed Management)**
https://www.carmignac.lu/en_GB/funds/carmignac-long-short-european-equities/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Portfolio Long-Short European Equities (European Markets – Mixed Management)**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-long-short-european-equities/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Investissement – (Global Markets – Equities)**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-em-debt/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Portfolio Investissement (Global Markets – Equities)**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-investissement/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Investissement Latitude (Global Markets – Mixed)**
https://www.carmignac.lu/en_GB/funds/carmignac-investissement-latitude/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Portfolio EM Debt**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-em-debt/a-eur-acc/fund-overview-and-characteristics

- **Carmignac Court Terme**
https://www.carmignac.lu/en_GB/funds/carmignac-court-terme/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Crédit 2027**
https://www.carmignac.lu/en_GB/funds/carmignac-credit-2027/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Portfolio Merger Arbitrage**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-merger-arbitrage/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Portfolio Merger Arbitrage Plus**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-merger-arbitrage-plus/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Portfolio Emerging Discovery**
https://www.carmignac.fr/en_GB/funds/carmignac-portfolio-emerging-discovery/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Portfolio Climate Transition (ESG Thematic Fund – Global Markets – Equities)**
https://www.carmignac.co.uk/en_GB/funds/carmignac-portfolio-climate-transition/w-gbp-acc/fund-overview-and-characteristics

Article 9 Funds in accordance with SFDR 2019/2088 as of 1st of October 2023

- **Carmignac Portfolio Grande Europe (European Markets – Equities)**
<https://www.carmignac.fr/en/carmignac-portfolio-grande-europe-a-eur-acc>
- **Carmignac Emergents (Emerging Markets – Equities)**
<https://www.carmignac.fr/en/carmignac-emergents-a-eur-acc>
- **Carmignac Portfolio Emergents (Emerging Markets – Equities)**
<https://www.carmignac.fr/en/carmignac-portfolio-emergents-f-eur-acc>
- **Carmignac Portfolio Family Grandchildren**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-grandchildren/a-eur-acc/fund-overview-and-characteristics
- **Carmignac Portfolio Human Xperience (ESG Thematic Fund – Global Markets – Equities)**
https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-human-xperience/a-eur-acc/fund-overview-and-characteristics

The Fixed Income funds Carmignac Sécurité, Carmignac Portfolio Sécurité, Carmignac Portfolio Flexible Bond, Carmignac Portfolio EM Debt and the balanced funds Carmignac Patrimoine and Carmignac Portfolio Patrimoine are under the scope of this Transparency Code.

The ESG analysis follows the same principles as for the mainstream funds. ESG analysis allows the investment team to mitigate ESG-related risks and to engage with companies should risks be identified. For the SRI funds, a further commitment is made to apply ESG ratings minimum requirements of portfolio construction. Each company is analysed for ESG risks, comments of practices are made on outset of investments and are updated usually annually or when controversies occur. A dialogue with the company directly enables any questions regarding ESG related risks to be answered. A full description of the ESG integration process, depending on the fund, can be found in Question 2.1.

1.5. IS THE COMPANY INVOLVED IN ANY SI INITIATIVES?

General Initiatives	Environmental/Climate Initiatives	Social Initiatives	Governance Initiatives
<input type="checkbox"/> ECCR – Ecumenical Council for Corporate Responsibility <input checked="" type="checkbox"/> EFAMA RI WG <input type="checkbox"/> European Commission's High-Level Expert Group on Sustainable Finance <input type="checkbox"/> ICCR – Interfaith Center on Corporate Responsibility <input checked="" type="checkbox"/> National Asset Manager Association (RI Group) <input checked="" type="checkbox"/> PRI - Principles For Responsible Investment <input type="checkbox"/> SIFs - Sustainable Investment Fora <input checked="" type="checkbox"/> Other <input type="checkbox"/> AFG, France SRI working group <input type="checkbox"/> IA, UK SRI working group <input type="checkbox"/> ALFI, Luxembourg SRI Working group	<input type="checkbox"/> CDP – Carbon Disclosure Project (please specify carbon, forest, water etc.) <input type="checkbox"/> Climate Bond Initiative <input type="checkbox"/> Green Bond Principles <input checked="" type="checkbox"/> IIGCC – Institutional Investors Group on Climate Change <input type="checkbox"/> Montreal Carbon pledge <input type="checkbox"/> Paris Pledge for Action <input type="checkbox"/> Portfolio Decarbonization Coalition <input type="checkbox"/> Other (please specify) <input checked="" type="checkbox"/> Climate Action 100 + <input checked="" type="checkbox"/> TCFD <input checked="" type="checkbox"/> ShareAction <input type="checkbox"/> Decarbonisation Initiative	<input type="checkbox"/> Access to Medicine Foundation <input type="checkbox"/> Access to Nutrition Foundation <input type="checkbox"/> Accord on Fire and Building Safety in Bangladesh <input type="checkbox"/> Other (please specify) <input type="checkbox"/> UN Women's Empowerment Initiative <input checked="" type="checkbox"/> Tobacco Finance Free pledge	<input type="checkbox"/> ICGN – International Corporate Governance Network <input type="checkbox"/> Other (please specify) <input checked="" type="checkbox"/> Share Action <input checked="" type="checkbox"/> Workforce Disclosure Initiative (WDI)

1.6. WHAT IS THE TOTAL NUMBER OF SRI ASSETS UNDER THE COMPANY'S MANAGEMENT?

As a group, the assets under management implementing ESG criteria: 29.7 billion Euro *

The assets under management offering a Socially Responsible approach: 26.4 billion Euro *

*Source: Carmignac, as of 30th of September 2023

2. GENERAL INFORMATION ABOUT THE SRI FOND(S) THAT COME UNDER THE SCOPE OF THE CODE

2.1. WHAT IS (ARE) THE FUND(S) AIMING TO ACHIEVE BY INTEGRATING ESG FACTORS?

At Carmignac, we believe that ESG incorporation is not only a "green tag", or a "nice to have". Indeed, we believe that an asset manager's number one fiduciary duty to its investors is to mitigate as much risks as it can identify. This very resolutely includes risks associated with poor governance, shareholder underrepresentation, social issues such as health and safety, and environmental challenges. ESG implementation can be, and often has been, a driver of long-term performance as it goes together with sustainability.

Asset managers like us at Carmignac, managing the savings of investors, often their future pension, must think long-term and not short term. As such, companies that decide to favour short-term success at the expense of higher ESG risks (or any other higher risk) may encounter difficulties in making profitable investments over the long-term.

Carmignac Patrimoine and Carmignac Portfolio Patrimoine, international balanced funds with the same management and investment holdings invest in international equities using a fundamentally-driven investment approach. Secular growth companies with sustainable thematic such as new consumer, digital economy, advanced healthcare, climate change are selected through a best-in-universe approach. A negative screening is applied to prevent investment in companies identified as operating in controversial sectors such as tobacco, thermal coal extraction, controversial weapons as well as poor ESG scored companies. The funds employ a ESG screening process to exclude companies that are not managing their ESG risks and are rated poorly both as an overall ESG score and for each E and S pillar. In this way the funds seek to invest sustainably. Secondly, for the sovereign debt investments, a proprietary scoring system is employed using both proprietary ESG analysis, external ESG data and publicly available data. In this manner ESG risks of sovereign issuers are also assessed.

Carmignac Sécurité and Carmignac Portfolio Sécurité funds, are fixed income funds which deploy a flexible, low duration strategy primarily across the European fixed income universe. They integrate environmental, social and governance (ESG) characteristics in their securities selection.

The funds employ an ESG screening process to exclude companies that are not managing their ESG risks and are rated poorly both as an overall ESG score and for each Environmental and Social pillar. In this way the funds seek to invest sustainably. Secondly, for the sovereign debt investments a proprietary scoring system is employed using both proprietary ESG analysis, external ESG data and publicly available data. In this manner ESG risks of sovereign issuers are also assessed.

Carmignac Portfolio Flexible Bond Fund is a fixed income fund which deploys a flexible allocation across international fixed income markets while hedging currency risk. It integrates environmental, social and governance (ESG) characteristics in its securities selection.

The fund employs an ESG screening process to exclude companies that are not managing their ESG risks and are rated poorly both as an overall ESG score and for each Environmental and Social pillar. In this way the fund seeks to invest sustainably.

Secondly, for the sovereign debt investments a proprietary scoring system is employed using both proprietary ESG analysis, external ESG data and publicly available data. In this manner ESG risks of sovereign issuers are also assessed.

Carmignac Portfolio EM Debt fund invests in bonds and currencies in emerging markets through a flexible conviction approach. It also seeks to make a positive contribution to society and the environment. The fund supports the financing of sustainable investments and allocates at least 60% of its net portfolio assets to emerging market sovereign and quasi-sovereign debt. Investments are screened to exclude companies that do not comply with OECD trading standards and the UN Global Compact principles on business and human rights.

The fund monitors compliance with the E&S criteria in three ways. Negative screening, through specific exclusion thresholds, excludes from the investment universe companies in the energy sector and socially harmful sectors such as tobacco and arms, as well as those that mismanage ESG risks (this exclusion reduces the initial investment universe to a minimum of 20%). Positive screening identifies companies that contribute positively to environmental and social criteria

2.2. WHAT INTERNAL OR EXTERNAL RESOURCES ARE USED FOR ESG EVALUATION OF THE ISSUERS WHO MAKE UP THE INVESTMENT UNIVERSE OF THE FUND(S)?

The Portfolio Managers and Analysts are responsible for ESG analysis. In addition, the ESG analysts take an active role in ESG assessment, as well as in the engagements necessary following on from ESG risks identification, controversies, or affiliation-related collective engagements. During the due diligence directly with Corporations as part of the investment rationale, ESG risks and opportunities are identified and discussed. External ESG data sources are aggregated as discussed on our START platform from the following data providers: Trucost, Refinitiv, MSCI and ISS.

Fixed Income analysts as well as the Portfolio Managers and ESG analysts also respect the requirements of ESG assessment for each issuer. Relevant ESG risks and opportunities are evaluated and documented within the investment rationale and on our ESG system START, during issuer roadshows, should it be relevant after reporting season.

MSCI ESG research can be used as an addition to proprietary research if necessary. Corporate bond selection respects the firm-wide exclusions across the mainstream funds and wider exclusions within the Socially Responsible funds where applicable. When a controversy occurs during the investment, mainstream analysts, Portfolio Managers and the ESG analysts engage directly with the management of the issuer to determine, either, a resolution to the controversy or an exit from the investment.

At least 90% of companies in our Fund have an ESG analysis.

2.3. WHAT ESG CRITERIA ARE TAKEN INTO ACCOUNT BY THE FUND(S)?

To complete an investment rationale, full ESG assessment is performed and documented in our proprietary ESG research system, START, that brings together quantitative and qualitative research both from third parties and in-house.

The initial step of this proprietary ESG analysis is to consult company reports, third-party reports or through direct company meetings to understand how individual companies are meeting the challenges of ESG related risk. Suppliers, clients, and other stakeholders may also be consulted.

We also look at a company's impact and the sustainability of their business model in the context of the long-term transformative ESG trends. This helps us to understand how well the company is positioned to take advantage of new opportunities the transition may present.

This forward-looking analysis is a critical step in understanding whether the company's performance is repeatable and sustainable over the long term.

Depending on the geographic region and sector, ESG criteria may vary. The START System incorporates 30+ ESG indicators that compose the companies scoring sorted in percentiles within the same peer groups. However, here are the most common elements that the Portfolio Managers and Analysts assess in the investment rationale:

- **Environment:** The scope of Carmignac's interest includes the impact of companies on the environment and their ability to offer services and products which adapt to environmental challenges and particularly climate change.
Environmental issues the investment team considers and renders transparent include companies' treatment of carbon emissions, pollution, waste, and water usage.
- **Social:** Carmignac focuses on monitoring the impact of companies with all their stakeholders (suppliers, employees, consumers) across the value chain and the increasing public expectations of social responsibility.
Social issues the firm considers could include all types of employment abuses, staff turnover metrics, diversity, workplace health and safety, income distribution, and product safety.
- **Governance:** Carmignac focuses on the enhanced value created by companies that encourage governance ethics. Governance issues the firm considers could include any tendency towards uses of bribery and corruption, government's involvement and impact on management, board independence, executive compensation, and anticompetitive practices.

Environmental	Social	Governance
Carbon Emissions –Direct & First Tier Indirect (tonnes CO2e)	% Employee Satisfaction	% Audit Committee Independence
Carbon Intensity- Direct & First Tier Indirect (tonnes CO2e/USD mn)	Employee Turnover	Compensation Committee Independence
Flaring of Natural Gas	Female Managers	Nomination Committee Involvement
Total Energy Use/Revenues	Average Employee Training Hours	Long Term Objective-Linked Executive Compensation
Renewable Energy Use Ratio	Lost Time Due to Injury Rate	Independent Board Members
Energy Use Total	Employee Fatalities	Average Board Tenure
Total Waste / Revenues	Chief Executive Salary Gap	% Board Gender Diversity
Waste Recycled /Total Waste	% Gender Pay Gap	Highest Remuneration Package
Accidental Spills	% Customer Satisfaction	Board Size
Water Use / Revenues		Sustainability Compensation Incentives
Water Recycled		
Fresh Water Withdrawal Total		

For the Sovereign bond issuers, the following factors compile the key ESG indicators assessed:

- **Environment:** CO2 per Capita, % share of renewables
- **Social:** GDP per capita PPP, life expectancy, GINI, Education
- **Governance:** Ease of doing business, Fiscal Position, Debt as years of revenue position, Current Account position

2.4. WHAT PRINCIPLES AND CRITERIA LINKED TO CLIMATE CHANGE ARE TAKEN INTO ACCOUNT IN THE FUND(S)?²

Carmignac has made climate awareness a formal component of its investment process, joining the efforts undertaken as part of the Cop21 initiatives and adhering to Energy Transition Rule No 173 of the Monetary and Financial Code of the French government (L533-22-1 du Code Monétaire et Financier), replaced by the new Article 29 law.

Through a diversified investment policy that is not constrained by its benchmarks, our Funds underweight sectors with high carbon emissions, particularly coal industry and utilities. Besides, investing in sustainable technologies is also key priority for our Funds. Carmignac measures the carbon emissions of our funds and publish this data in each funds' annual report.

To calculate the portfolio carbon emissions, the companies' carbon intensities (tonnes of CO2e /USD mn revenues converted to Euros, Scope 1 and 2 GHG Protocol, S&P Trucost) are weighted according to their portfolio weightings (adjusted for holdings for which carbon emissions are not available), and then summed.

S&P Trucost methodology: Trucost uses company disclosed emissions where available. In the instance it is not available, they use their proprietary EEIO model. The model uses the revenue breakdown of the

² Reference to Article 173 of the French TECV Act see paragraphs 3 and 4 of Article D.533-16-1 of Chapter III of the French Legal Code): <https://www.legifrance.gouv.fr/affichCodeArticle.do?cidTexte=LEGITEXT000006072026&idArticle=LEGIARTI000031793697>

company by industry sector to estimate the carbon emissions. For further information, please visit: www.spglobal.com/spdji/en/documents/additional-material/faq-trucost.pdf. Although S&P Trucost does report Scope 3 emissions where available, such emissions are commonly considered to be poorly defined and inconsistently calculated by companies. As a result, we have chosen not to include them in our portfolio emission calculations.

2.5. WHAT IS THE ESG ANALYSIS AND EVALUATION METHODOLOGY OF THE FUND MANAGER/FUND MANAGEMENT COMPANY (HOW IS THE INVESTMENT UNIVERSE BUILT, WHAT RATING SCALE IS USED ETC.)?

ESG integration of the sovereign bond part of the portfolios

The team selects countries with healthy macro-economic fundamentals, high domestic growth and sound current account balances and balance of payments. In order to have a holistic view of the macro-economic environment, the emerging markets team works closely with the Cross-Asset team and country experts and uses proprietary tools to analyse and monitor economic cycles and risks specific to each geographical area. Country selection is made respecting country restrictions/exclusion list and based on positive economic and governance screening.

At Carmignac, we think that it is key to integrate ESG criteria in the monitoring of Sovereign bonds. While external solutions are slowly being developed, we have chosen to build our own proprietary models in order to ensure ESG integration and to provide material information to our investors. Two models have been developed in the last years:

- **A GLOBAL SOVEREIGN ESG RISK MODEL**, which tries to assess Environmental, Social and Governance risks faced by developed and emerging countries
- **AN EM IMPACT MODEL** (that aims to guide impact investment across emerging countries).

METHODOLOGY

A. GLOBAL SOVEREIGN ESG RISK MODEL" SCORING

This first model created by our Fixed Income Investment Team analyses **more than 100 countries** across Developed and Emerging Markets covering our sovereign **and quasi-sovereign** investments, with the only exception being a limited number of countries with not enough reliable data. **18 E, S & G criteria** have been selected according to the PRI (Principles for Responsible Investment) guidelines, market relevancy, our firm's values and industry standards. The model uses both quantitative and qualitative elements in order to capture both current risks and opportunities, as well as **forward-looking dynamic trends**. The quantitative basis for the model uses both spot levels and historic data, while qualitative analysis, for example from stakeholder engagement or recent news and policies not yet quantitatively captured, may result in a positive or negative adjustment. The objective however is to limit these qualitative adjustments to exceptional situations such as an impactful policy change, in order to maintain the impartiality of the model.

TO SUMMARISE:

- Countries are ranked between 1 (bad) & 5 (good), with dispersion across the full range of scores. For any criteria, countries' ESG rankings are based both on 1) spot data and 2) recent evolution/trends
- These two rankings are then converted into an overall rating between 1 (bottom) & 5 (top)
- The dynamic rating is overweighed for emerging countries (75%) and underweighted for developed countries (25%) in order to reward recent ESG-positive trends and to mitigate structural under-investment of developing countries in ESG projects
- For any E, S & G pillar, criteria rankings are then averaged to get a pillar scoring.
- This score is then adjusted either positively or negatively, where appropriate, as a result of forward-looking qualitative analysis
- The overall ESG score is composed of the equally weighted average of the three components E, S, and G
- Below a score of 2.5/5, we will exclude the country

B. "EM IMPACT MODEL" SCORING

The Impact model focuses on impact investment in Emerging Markets. It covers some 70 developing countries for all sovereign and quasi-sovereign instruments (for 100% state-owned companies). Because it is not global and focused on specific regions, the model uses 11 ESG criteria selected according to the UNPRI guidelines and material for developing markets. Furthermore, the model, maintained by our Fixed Income Investment Team, can incorporate qualitative adjustments if the analyst thinks that the data does not capture accurately the latest evolution or situation of a country. This is particularly important in emerging markets where the data quality and timeliness can be an issue. To find out if a qualitative adjustment is necessary, there is an ongoing monitoring resulting from recent events or controversies.

Because the purpose of the model is to guide impact investments, there is a **strong focus on the trajectory** that the country is taking. Therefore, the model puts a lot of emphasis on the dynamic aspects. Also, to make sure that all countries' positive trajectory can be reflected in their score's absolute values, as long as they are progressing on ESG, they are ranked based on thresholds for each criterion rather than by the relative ranking approach used in the Global Model.



ENVIRONMENT

Capturing investment in climate mitigation and sustainable development

- CO2 per Capita
- Share of Renewables & Share of Coal



SOCIAL

Long-term social improvements that drive growth and stability

- GDP per capita PPP¹
- Life expectancy
- GINI²
- Education



GOVERNANCE

Credit Worthiness, Rule of Law, institution & regulatory quality and control of corruption

- Ease of doing business
- Fiscal Position
- Debt as years of Revenue Position
- Current Account Position
- **Global Peace Index (New)**
- **Human Rights (New)**



MANUAL ADJUSTMENT FACTOR³ THAT MANAGEMENT TEAM CAN USE TO CORRECT ON AN AD HOC BASIS EACH OF THE E, S, AND G FACTORS FOR A COUNTRY

TO SUMMARISE:

- Countries are ranked between 1 (bad) & 5 (good).
- For most criteria, we use Static and Dynamic data, with some criteria using only one (for example: Life Expectancy only being assessed on the Dynamic score)
- For any E, S & G pillar, criteria rankings are then averaged to get a pillar scoring.
- This score is then adjusted either positively or negatively, where appropriate, from the qualitative analysis
- The overall ESG score composed of the equally weighted average of the three components E, S, and G
- The fund's score is then aggregated as the weighted average of the country score and the exposure of the positions with a sub-portfolio consisting of EM Sovereign and Quasi-Sovereign Bonds
- Scores are updated on a semi-annual basis.

#	Criteria	Sources	"Global model" weights	"EM Impact model" weights
ENVIRONMENTAL				
1	CO ₂ emissions per capita	Our World In Data – Oxford University	20%	33%
2	Share of Renewables in total installed capacity	BNEF (Bloomberg New Energy Finance)	20%	33% (with a malus for high or increasing coal usage)
3	Share of Coal in total installed capacity	BNEF (Bloomberg New Energy Finance)	20%	-
4	Ambient PM2.5 (fine particules)	Institute for Health Metrics and Evaluation	20%	33%
5	Ratification of Paris Accords	United Nations Framework Convention on Climate Change	Malus of 0.2 if not ratified	-
6	Environmentally controlled solid waste treatment	World bank report "What a waste 2.0". Data from United Nations Statistics, OECD, and regional and national reports	20%/3	-
7	Health years lost due to unsafe sanitation	Institute for Health Metrics and Evaluation	20%/3	-
8	Health years lost due to unsafe water	Institute for Health Metrics and Evaluation	20%/3	-

SOCIAL				
9	Life expectancy at birth of both sexes	World Bank	20%	25%
10	GINI – income coefficient	World Bank	20%	25%
11	Education (PISA & Literacy rate)	PISA (Reading, Maths, Science) – OECD Literacy Rate – World Bank	20%	25%
12	GDP Per Capita PPP	IMF	20%	-
13	HDI	United Nations - Development Programme	20%	25%
GOVERNANCE				
14	Ease of Doing Business	World Bank	20%	25%
15	Fiscal Position (deficit as % GDP)	IMF	20%	25%
16	Debt as Years of Revenue	Gross Debt to GDP and Revenue to GDP – IMF	20%	25%
17	Current Account Position	Current Account to GDP – IMF	20%	25%
18	Economic freedom	The Heritage Foundation	20%	-

The ESG sovereign scoring system is maintained and developed by the Fixed income analysts and is updated twice per year. The portfolio management team confirms the macro-economic analyses through regular on the ground visits where they get a grasp of the local economic activity and meet government bodies, central bank officials, local entrepreneurs, etc. Based on the identified macroeconomic trends, the portfolio manager will select the countries for investment.

Carmignac Patrimoine and Carmignac Portfolio Patrimoine

ESG analysis and criteria are directly considered in the definition of the Fund's investable universe. The equity investment universe in scope is comprised of stocks listed on international exchanges, which represents a list of approximately 2900 names (MSCI ACWI).

In the corporate bond part of the portfolio the investment universe is defined as 2500 issuers composed of ICE BofA Global Corporate Index, ICE BofA Global Non-Financial High Yield Index and ICE BofA Emerging Markets Corporate Plus Index.

The investment universe of equity and corporate bonds is systematically and automatically reduced due to the firm level hard exclusions as noted below. The Exclusion list called the CMGR watchlist is reviewed quarterly by the Sustainable Investment team and monitored by the Compliance team.

1) Carmignac firm-wide exclusion list:

- Controversial weapon manufacturers that produce products that do not comply with treaties or legal bans³

³ Companies that do not comply with: 1) The Ottawa Treaty (1997) which prohibits the use, stockpiling, production and transfer of anti-personnel mines; 2) The Convention on Cluster Munitions (2008) which prohibits the use, stockpiling, production and transfer of cluster munitions; 3) The Belgian Loi Mahoux, the ban on uranium weapons; 4) The Chemical Weapons Convention (1997) which prohibits the use, stockpiling, production

- Tobacco producers. Wholesale distributors and suppliers with revenues over 5% from such products
- Thermal coal miners with over 10% revenues or 20 million tonnes from extraction
- Power generators that produce more CO₂/kWh than the defined threshold⁴
- Adult entertainment and pornography producers and distributors with over 2% revenues from such product
- International Global Norms violations including OECD Business Principle, ILO Principles and UNGC Principles

2) Low ESG-scored companies are excluded

As previously stated Carmignac Patrimoine and Carmignac Portfolio Patrimoine exclude companies that are not managing their ESG related risks which are reflected in MSCI CCC or B scores. This is the case for equities as well as corporate bonds issuer ESG ratings.

In addition, should an Environmental or Social pillar score be below 1.4/10 (equity component) and 2.5/10 (corporate bond component), the fund would also exclude these companies from the investment universe.

Our teams carry out detailed financial and ESG assessments of targeted companies to assign them with our own ESG rating, implemented through our proprietary ESG system START. Should the START proprietary score for a company that has been excluded due to the aforementioned MSCI criteria for exclusion be A, B or C, the fund can include the company in the investable universe.

In summary, the proprietary START score will sometimes lead us to invest in a company with an otherwise non-investable MSCI rating; conversely, it will sometimes prevent us from investing in a company with a MSCI rating >B.

These scores, both proprietary and MSCI, can be monitored real time through the portfolio management system by the investment team and ESG analysts, at a single issuer or aggregated portfolio level. This information is also under each security in START interface.

Monitoring: both proprietary START and MSCI overall and pillar scores can be monitored real time through the portfolio management system by the investment team and ESG analysts, at a single issuer or aggregated portfolio level. This information is also available for security in START interface.

3) Positive Screening:

The Sub-Fund adopt 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-

and transfer of chemical weapons; 5) The Treaty on the Non-Proliferation of Nuclear Weapons (1968), which limits the spread of nuclear weapons to the group of so-called nuclear weapons states (USA, Russia, UK, France and China); 6) Biological Weapons Convention (1975) which prohibits the use, stockpiling, production and transfer of biological weapons.

⁴ In line with the 2°C scenario suggested by the IEA or new coal/nuclear build or Gas>30%, Coal >10%, Nuclear >30% revenues if CO₂ data not available. Please refer to Carmignac's exclusion policy for further detail: https://www.carmignac.lu/en_GB/responsible-investment/policy

Fund's net assets are invested in shares of companies that are considered aligned with the 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 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 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. For further information on the United Nations Sustainable Development Goals, please refer to <https://sdgs.un.org/goals>.

Carmignac Sécurité, Carmignac Portfolio Sécurité, Carmignac Portfolio Flexible Bond and Carmignac Global Bonds

ESG analysis and criteria are directly considered in the definition of the Fund's investable universe. The investment universe is defined as 2500 issuers composed of ICE BofA Global Corporate Index, ICE BofA Global Non-Financial High Yield Index, ICE BofA Emerging Market Corporate Plus Index. The investment universe of corporate bonds is systematically and automatically reduced due to the firm level hard exclusions as noted below. The Exclusion list called the CMGR watchlist is reviewed quarterly by the Sustainable Investment team and monitored by the Compliance team.

1) Carmignac firm-wide exclusion list:

- Controversial weapon manufacturers that produce products that do not comply with treaties or legal bans⁵

⁵ Companies that do not comply with: 1) The Ottawa Treaty (1997) which prohibits the use, stockpiling, production and transfer of anti-personnel mines; 2) The Convention on Cluster Munitions (2008) which prohibits the use, stockpiling, production and transfer of cluster munitions; 3) The Belgian Loi Mahoux, the ban on uranium weapons; 4) The Chemical Weapons Convention (1997) which prohibits the use, stockpiling, production and transfer

- Tobacco producers. Wholesale distributors and suppliers with revenues over 5% from such products
- Thermal coal miners with over 10% revenues or 20 million tonnes from extraction
- Power generators that produce more CO₂/kWh than the defined threshold^{6**}
- Adult entertainment and pornography producers and distributors with over 2% revenues from such product
- International Global Norms violations including OECD Business Principle, ILO Principles and UNGC Principles

2) **Low ESG scored companies are excluded**

The funds exclude companies that are not managing their ESG related risks which are reflected in MSCI CCC or B scores. In addition, should an Environmental or Social pillar score be below 2.5/10, the funds would also exclude these companies from the investment universe.

Our teams carry out detailed financial and ESG assessments of targeted companies to assign them with our own ESG rating, implemented through our proprietary ESG system START. Should the START proprietary score for a company that has been excluded due to the aforementioned MSCI criteria for exclusion be A, B or C, the fund can include the company in the investable universe.

In summary, the proprietary START score will sometimes lead us to invest in a company with an otherwise non-investable MSCI rating; conversely, it will sometimes prevent us from investing in a company with a MSCI rating > B. These scores, both proprietary and MSCI, can be monitored real time through the portfolio management system by the investment team and ESG analysts, at a single issuer or aggregated portfolio level. This information is also under each security in START interface.

Monitoring: Both proprietary START and MSCI overall and pillar scores can be monitored real time through the portfolio management system by the investment team and ESG analysts, at a single issuer or aggregated portfolio level. This information is also available for security in START interface. In this manner the corporate bond part of the portfolio reduces the universe by a minimum of 20% from 2500 issuers to around 1900 issuers.

ESG integration of the sovereign bond part of the portfolios

Same as detailed above.

3) **Positive Screening for Carmignac Sécurité and Carmignac Portfolio Sécurité**

In addition to the negative Screening mentioned above Carmignac Sécurité and Carmignac Portfolio Sécurité adopt a sustainable investment approach using best in universe and best efforts selection

of chemical weapons; 5) The Treaty on the Non-Proliferation of Nuclear Weapons (1968), which limits the spread of nuclear weapons to the group of so-called nuclear weapons states (USA, Russia, UK, France and China); 6) Biological Weapons Convention (1975) which prohibits the use, stockpiling, production and transfer of biological weapons.

⁶ In line with the 2 ° C scenario suggested by the IEA or new coal/nuclear build or Gas>30%, Coal >10%, Nuclear >30% revenues if CO₂ data not available. Please refer to Carmignac's exclusion policy for further detail: Please refer to Carmignac's exclusion policy for further detail: https://www.carmignac.lu/en_GB/responsible-investment/policy

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 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 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 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:**

- iii. 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
- iv. 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. For further information on the United Nations Sustainable Development Goals, please refer to <https://sdgs.un.org/goals>.

Carmignac Portfolio Emerging Debt

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 1% of the Sub-Fund's net assets. 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 quartile of the sustainability score distribution ($\geq 3.4/5$) 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, education level. These are rated from 1 to 5 whereby 1 is the lowest score, 5 is the highest score and 3 is the neutral point;

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.

At least 60% of the Sub-Funds net assets are invested in emerging market sovereign bonds and quasi-sovereign debt in accordance with the following sustainable portfolio composition rules:

- o 60% have a sustainability score of 3/5 or higher in our proprietary scoring system

- o 90% have a sustainability score of 2.6/5 or higher in our proprietary scoring system

- o The average exposure weighted sustainability score is above 3/5 the combined contribution of all types of the aforementioned sustainable bonds

- o 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 Corporate 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) **Fund-specific:** Fixed income portfolio positions with an MSCI rating below 1.4 (rating from "0" to "10") on environmental or social pillars, or 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 "C" and above on the START (rating from "E" to "A") are reintegrated into the Sub-Fund's investment universe after an ad-hoc analysis which may involve an engagement with the company.

2.6. HOW OFTEN IS THE ESG EVALUATION OF THE ISSUER REVIEWED? HOW ARE ANY CONTROVERSIES MANAGED?

The investment team allocates a rating through the proprietary START system at outset of investment and are updated on an annual basis or when necessary, as new data or information needs to be complemented. MSCI ESG Ratings are our public and portfolio guidelines reference for the portfolio. Ratings by MSCI are updated annually or as these ratings updates occur. The overall ESG rating both proprietary and MSCI are monitored through the GPM front office portfolio interface real time as well as in the START system.

Engagements occur directly with companies and countries regarding E, S or G issues and are subject to a specific reporting via email or summary in the front office database (Verity). For companies we invest in, there are regular discussions and follow-up of topics during meetings with the companies. When controversies occur, fund managers and equity analysts are responsible for the engagement and follow-up with their respective companies.

The Responsible Investment Team also assists fund managers to engage with a company on a specific topic or controversy. These are documented and visible to all investment staff in the front office database (Verity) and are collated in the specific ESG engagement tool.

Controversies

Controversies are managed through or formal engagement framework. From January 2021, by adopting a new and comprehensive engagement policy, Carmignac has committed to a quarterly engagement program targeting specific actions within the possibility of 5 different types of engagements including controversy management:

1. ESG risk related engagement
2. Thematic engagement
3. Impact engagement
4. Controversial behaviour engagement
5. Proxy voting decision engagement (not for Fixed Income)

1. ESG Risk-related engagement

- a. The proprietary rating and research framework START combines aggregated raw ESG data from companies which allows the analyst to systematically identify poor E, S or G related scores and risks. A good starting point for engagement would be if the score of E, S or G is below average i.e. D or E rating.
- b. A company dialogue would be initiated concerning the issues which have contributed to the low score(s) and the objective of the engagement would be to understand the specific ESG risk and engage to drive material improvement in the companies' ESG profile.

1. Thematic Engagement

- a. This is a proactive approach centred on material sustainability themes that have the most potential to create value for shareholders, taking into consideration the views and concerns of our clients.

We breakdown a selection of themes within the three pillars of 'ESG', depending on what is most material within the company's business sector. The materiality or relevance of the E, S or G issue is determined by our investment team members given their specialist knowledge of the sector and company. Thematic Engagement can take place over up to three years.

2. Impact Engagement

- a. We seek to understand and work with companies on their business model progression to identify their intentionality, how they intend to create additionality and lastly measure their outcome to create overall societal and environmental value.
- b. When relevant, we align our impact engagement themes to the United Nations 17 Sustainable Development Goals (SDGs). Impact Engagement can extend to a five-year period.

3. Controversial Behaviours Engagement

- a. Enhanced engagement which focuses on companies that severely and structurally breach principles of the United National Global Compact (UNGC) and/or OECD Guidelines for Multinational Enterprises. Controversial Behaviours engagement is aimed at eliminating a company's breach of the UNGC and/ or OECD Guidelines for Multinational Enterprises and installing proper management systems to prevent such a breach from recurring.
- b. If engagement is unsuccessful, the company is considered for exclusion. Enhanced engagement cases are selected quarterly. Engagement focus can differ between various investment exposures. For example, engagements for credit portfolios are likely to focus on downside ESG risks, whereas engagements for equity portfolios are more likely to focus on both ESG risks and opportunities, as well as minority shareholders' rights. We allow for a maximum of three years of engagement with a company in this program.

Escalation

For each company identified for engagement, we define a challenging but realistic threshold of objectives that we expect to be met at the end of the engagement timeframe. If the expected outcome set has been met, we close the engagement case successfully. We record our engagement outcome on 3 levels of progress: Positive, Neutral & Negative. We escalate the intensity of an engagement activity over time depending on the nature of the challenges each company faces and the attitude of the board towards our dialogue. Generally, our engagement activity becomes more active where we believe engagement will lead to an increase in or prevent/limit a decrease in the value of a company over the long term.

Reporting

Transparency to our clients and society is a key priority of Carmignac. We share our engagement outcomes and progress publicly including our voting records and rationale.

The outcomes of our thematic engagements are updated annually on our website and in our annual reports as well as being reflected in the UNPRI reporting. Lastly particular case studies will be communicated throughout the year on an ad hoc basis. This helps our clients understand the activities that Carmignac has taken on their behalf as part of our fiduciary duty.

For further information please refer to Carmignac's Shareholder Engagement policy on the Responsible Investment website.

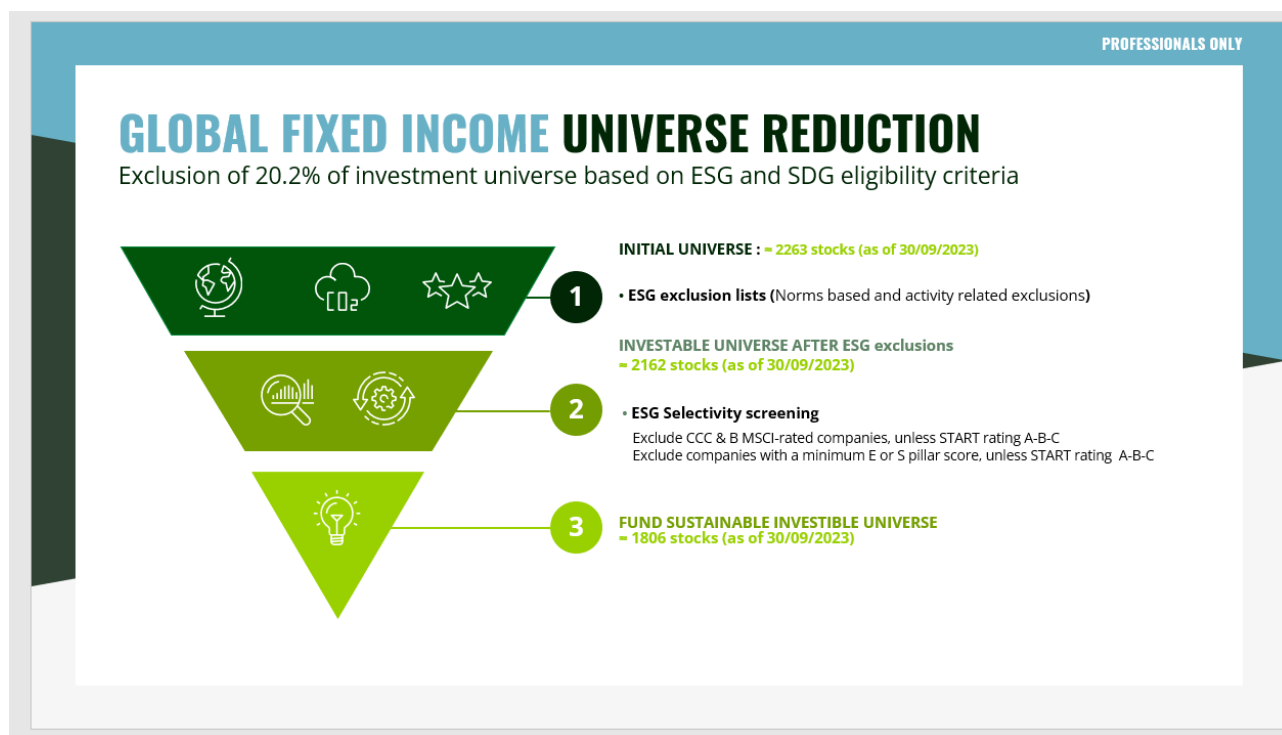
3. INVESTMENT PROCESS

3.1. HOW ARE THE RESULTS OF THE ESG RESEARCH INTEGRATED INTO PORTFOLIO CONSTRUCTION?

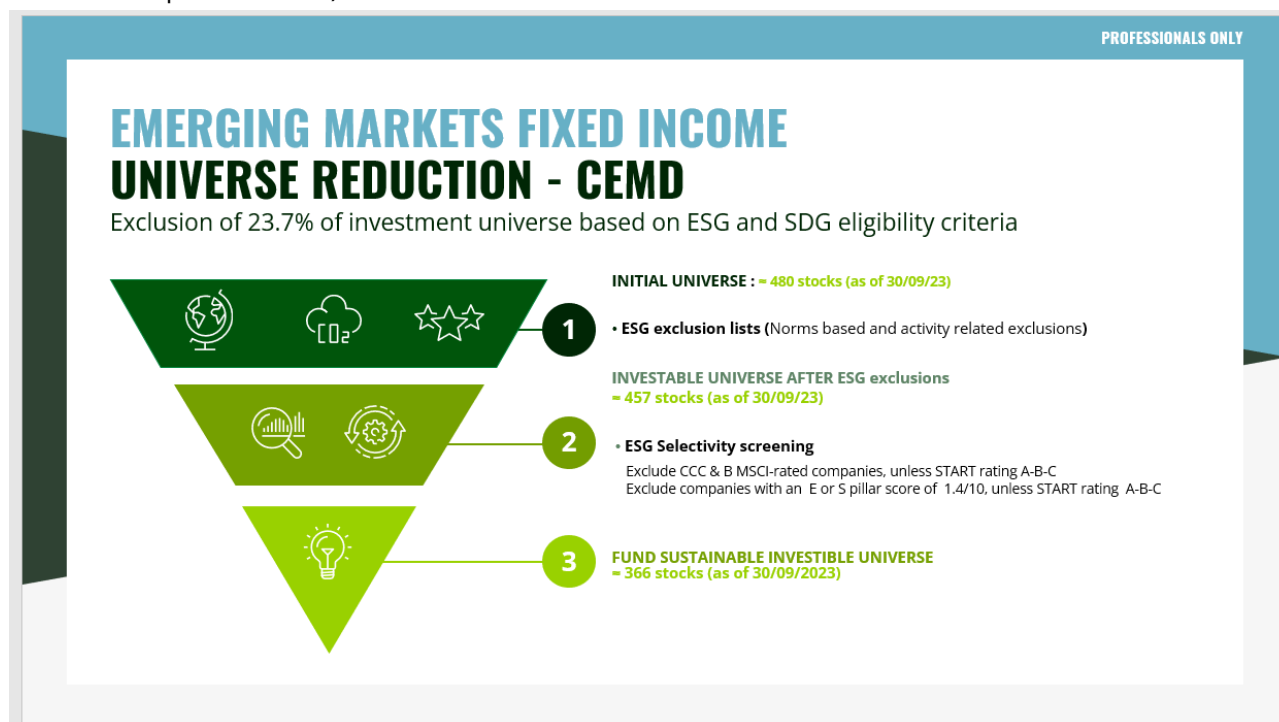
ESG research has a direct impact in portfolio construction. As discussed in the answer to question 2.5, we use ESG criteria along with the financial criteria to identify companies with the best long-term prospects. In addition to further reducing the list of companies in the investable universe, the companies ESG assessment will also influence the weighting of holdings in the portfolio. As discussed in Question 2.5 the seven funds under scope employ a universe reduction based on excluding poor ESG scored companies where CCC and B companies are excluded unless the proprietary score and analysis given by our analysts is A , B or C under our proprietary START system.

See below the universe reduction process for our fixed income funds, based on their initial universe:

The following universe reduction is applied For Carmignac Securite, Carmignac Portfolio Securite, Carmignac Patrimoin, Carmignac Portfolio Patrimoine, Carmignac Portfolio Flexible Bond, and Carmignac Portfolio Global Bond. The initial universe is a Fixed income Composite Universe Composed of :ICE BofA Global Corporate Index, ICE BofA Global Non-Financial High Yield Index and ICE BofA Emerging Markets Corporate Plus Index



The following universe reduction process is applied to Carmignac Portfolio Emerging Markets Debt. Its initial universe is: ICE BofA Emerging Markets Corporate Plus Index (excluding companies not rated by MSCI and duplicate issues)



3.2. HOW ARE CRITERIA SPECIFIC TO CLIMATE CHANGE INTEGRATED INTO PORTFOLIO CONSTRUCTION?

Carmignac has formalized its commitments to take climate change issues into account in its investment process, joining forces with the "Cop21" initiatives and adhering to the principles of article 29 of the energy transition law of the French government's Monetary and Financial Code (L533-22-1 of the French Monetary and Financial Code).

In January 2020, Carmignac became a member and supporter of the Task Force on Climate-related Financial Disclosures (TCFD) and we have included in our report: Climate Policy and Carbon Emissions Reporting, a first report in brief according to the TCFD recommendations. At present, portfolio companies publish too little information on their climate change policies and emissions data on their exposure to physical and transition risks to enable us to produce satisfactory reporting. We also encourage our portfolio companies to provide more information in this regard as part of our shareholder engagement initiatives. Since March 2020, Carmignac has tightened its policy of excluding coal producers and coal, nuclear and gas power plants by incorporating a tolerance trajectory for CO₂/kWh emissions in line with the Paris Agreement and a limit of 10% of turnover or 20m tonnes from coal production. Carmignac is committed to a total exit from coal (mines and power plants) by 2030 in all regions of the world.

3.3. HOW ARE THE ISSUERS THAT ARE PRESENT IN THE PORTFOLIO, BUT NOT SUBJECT TO ESG ANALYSIS EVALUATED (NOT INCLUDING MUTUAL FUNDS)?⁷

All equity holdings or corporate issuers are subject to analysis using the START platform. As for portfolio guidelines, MSCI ratings are used.

The START platform has the capacity to aggregate raw company scores for over 8000 issuers. Should there be no coverage which can happen on rare occasions in newly listed companies or non-listed corporate issuers, a START proprietary rating is given.

All sovereign issuers are rated through the proprietary sovereign rating system which assesses 105 countries across DM and EM covering all our sovereign investments using 18 E, S & G criteria selected according to UNPRI guidelines, market relevancy, firm's values, and industry standards. Please see the section on ESG methodology.

Because the purpose of the model is to guide impact investments, there is a **strong focus on the trajectory** that the country is taking. Therefore, the model puts a lot of emphasis on the dynamic aspects. Also, to make sure that all countries' positive trajectory can be reflected in their score's absolute values, if they are progressing on ESG, they are ranked based on thresholds for each criterion rather than by the relative ranking approach used in the Global Model.

We commit to a minimum of 90% of ESG analysis coverage.

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.

3.4. HAS THE ESG EVALUATION OR INVESTMENT PROCESS CHANGED IN THE LAST 12 MONTHS?

There is now a proprietary rating system START that allows a comparative to MSCI ratings, with a broad coverage and aggregated data set and what we believe to be a superior peer group comparing: by capitalisations, Region - EM or DM, and 90 industry groups with 31 ESG indicators if there is coverage. Secondly, the proprietary sovereign ESG scoring system has been upgraded to include 18 ESG indicators and to be used across the DM universe as well as the EM universe for where it was originally created.

In July 2023, we introduced the following changes to our outcome framework:

- The CAPEX threshold has changed from 50% to 30%
- We introduced operational alignment to our alignment definition:
 - 1) 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

⁷ Reference to Article 29 of the French TECV Act and the TCFD recommendations (delivering on investor and stakeholder demands for climate-related information)

- 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
- 2) 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.

3.5. IS A PART OF THE FUND(S) INVESTED IN ENTITIES PURSUING STRONG SOCIAL GOALS/SOCIAL ENTERPRISES?

As mentioned, in the equity part of the Carmignac Patrimoine and Carmignac Portfolio Patrimoine funds, investments are made in secular growth companies investing in particular sustainable thematic such as green alternative consumption, and advanced healthcare. In the bond portfolios, where possible investments are made in sustainability bonds and social bonds.

3.6. DOES (DO) THE FUND(S) ENGAGE IN SECURITIES LENDING ACTIVITIES?

Our socially responsible funds rarely offer stock lending. Holdings are recalled to exercise voting rights.

3.7. DOES (DO) THE FUND(S) USE DERIVATIVE INSTRUMENTS?

The funds under the scope of this Transparency Code only use equity and bond derivatives for efficient portfolio construction. The derivatives are subject to UCITS leverage limits and internal risk controls. Short selling of single stocks is not practiced in the funds. Only Carmignac Patrimoine and Carmignac Portfolio Patrimoine equity portions practice short selling of single stocks.

3.8. DOES (DO) THE FUND(S) INVEST IN MUTUAL FUNDS?

The funds under scope of this Transparency Code can invest up to 10% in other mutual funds.

4. ESG CONTROLS

4.1. WHAT INTERNAL AND/OR EXTERNAL CONTROL MECHANISMS ARE IN PLACE TO ENDURE COMPLIANCE OF THE PORTFOLIO WITH THE ESG RULES ON MANAGING THE FUND(S) AS DEFINED IN SECTION 4?⁸

An operational framework is in place to manage and monitor sustainability risks. This framework allows us to monitor the overall compliance with ESG limits laid down in our prospectuses and controlling that

⁸ Reference to Article 173 of the French TECV Act

the investment strategy is consistent with the SFDR regulation SFDR and SRI labels' specifications. Through the above-mentioned ESG methodologies communicated and handled by the Responsible Investment team, sector exclusions, universe reductions and coverage thresholds for ESG analysis are achieved. ESG rules and guidelines are monitored by the Investment Management and the Responsible Investment team as a first level of control through the START (within Verity) and the Global Portfolio Monitor (GPM) day to day research and portfolio management tools.

The Risk Management team acts as a second level of control and ensures that the applied strategy complies with the various constraints (regulatory, statutory, and internal), using the software Bloomberg Compliance Manager tool (CMGR).

This tool configuration defined by Risk Management, allows a close monitoring of sustainability risks in the investment process by setting appropriate limits that reflect consistency between fund's commitment and the implemented strategy.

Most of controls are done post-trade on a weekly or monthly basis, the target being pre-trade control daily. The overall framework is periodically reviewed by the Compliance and Internal Control department in the conduct of the Compliance Monitoring Program.

5. IMPACT MEASURES AND ESG REPORTING

5.1. HOW IS THE ESG QUALITY OF THE FUND(S) ASSESSED?

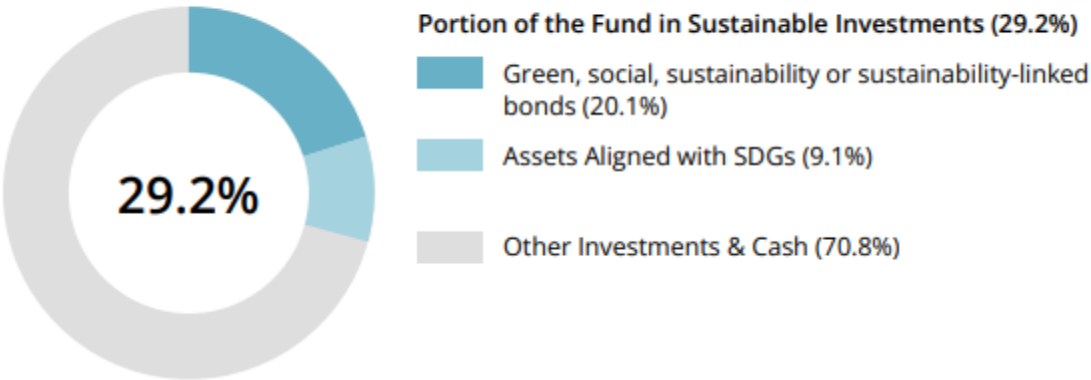
Carmignac assess the ESG ratings of its SRI funds monthly. The ratings of the portfolio drawn from MSCI ESG ratings are compared against the Fund's benchmark. The distribution of weightings, the top holdings ratings and the holdings active weights are also given. This report is automated and published inside the financial factsheet, in all languages.

Frequent reviews are made by the ESG analyst of the portfolio ratings compared to the proprietary START and MSCI ESG ratings. This enables discussion about potential discrepancies.

From October 2020 on, the yearly carbon reports have become monthly, showing tCO₂/M USD revenue against the benchmark. Fossil fuel % revenues are weighed for each holding - alongside the tCO₂/ M USD reviews vs the benchmark and the 70% benchmark level to highlight that the 30% target has been met.

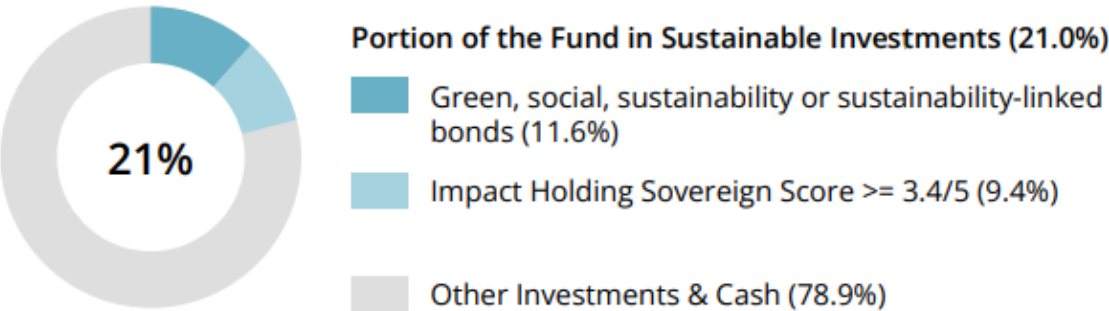
Carmignac Sécurité Portion of Sustainable Investments as of September 29th 2023:

SUSTAINABLE INVESTMENTS (NET ASSETS)



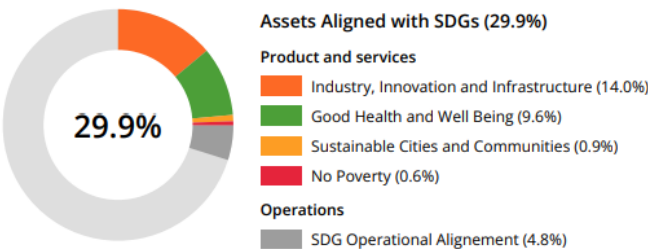
Carmignac Portfolio Emerging Market Debt as of September 29th 2023:

SUSTAINABLE INVESTMENTS (NET ASSETS)



Carmignac Patrimoine’s UN Sustainable Development Goals alignment as of September 2023.

ALIGNMENT WITH THE UN SUSTAINABLE DEVELOPMENT GOALS (NET ASSETS)



5.2. WHAT ESG INDICATORS ARE USED BY THE FUND(S)?

For Carmignac Portfolio Flexible Bond, In addition to 30+ ESG indicators of company data that can be monitored on the Carmignac proprietary ESG system START (see table below), the funds track the progress of 5 specific E, S, G and Human Rights indicators for the fund, a set of quantifiable data points established as performance measures. They seek to compare and manage the evolution of these indicators against the reference index and across companies. They also serve to drive further research and corporate engagement.

The report can be found here: https://www.carmignac.fr/en_GB/funds/carmignac-portfolio-flexible-bond/a-eur-acc/documents-and-reports

For the Sovereign bonds, proprietary rating system the following ESG indicators are measured using publicly available data from such institutions as the World Bank for over 105 government issuers:

- Environmental: CO2 per capita, share of renewable energy.
- Social: GDP per capita (PPP based), Gini index, life expectancy, education.
- Governance: ease of doing business, fiscal position, debt as years of revenue position, current account position.

Following the evolution of the requirements from the French SRI Label, Carmignac Flexible Bond is committed to maintain a coverage above 90% for Human Rights Controversies and 70% for product safety controversies, while outperforming (or if no controversies, by having a similar performance) the benchmark on these two particularly relevant indicators, in line with our investment philosophy. This is illustrated in the tables below:

		E – Carbon Emissions Carbon footprint	E – Carbon Emissions Carbon intensity (tCO ₂ / Revenue MEUR)	S – Number of Product Safety Controversies	G – Board Independence
<i>Fund Coverage</i>		67.48%	72.07%	72.57%	72.57%
<i>Reference Indicator Coverage</i>		74.84%	91.14%	91.40%	91.40%
Carmignac Flexible Bond	Sept-2023	174.79(t CO₂e/EVIC per €1M invested)	233.03 tCO₂e/M€ revenue	0 (0%)**	80.32%
ICE BofA Euro Broad Market Index	Sept-2023	86.32 (t CO₂e/EVIC per €1M invested)	86.41 tCO₂e/M€ revenue	213 (4.2%)**	79.38%

		Human Rights – Number of Supply Chain Controversies	Human Rights – Number of Controversies (UN GC)
<i>Fund Coverage</i>		72.57%	89.82%
<i>Reference Indicator Coverage</i>		91.40%	98.66%
Carmignac Flexible Bond	Sept-2023	0 (0%)**	0 (0%)**
ICE BofA Euro Broad Market Index	Sept-2023	101 (2%)**	4 (0.08%)**

5.3. WHAT COMMUNICATION RESOURCES ARE USED TO PROVIDE INVESTORS WITH INFORMATION ABOUT THE SRI MANAGEMENT OF THE FUND(S)?

Carmignac's mainstream ESG approach and the SRI Funds plus ESG thematic funds are identified on Carmignac's Responsible Investment web page:

https://www.carmignac.lu/en_GB/responsible-investment/template-hub-sri-thematic-funds-4526

Moreover, on each of these Funds' web page, you will find the following documents related to RI:

- The Sustainability Disclosure document (RTS recommended 2 pager)
- The Monthly ESG summary factsheet
- The Annual ESG and HR indicator report

These documents are oriented for retail investors.

The annual reports of the Fund contain a full commentary on ESG issues and its ESG assessment.

- The results of the Funds (see 5.1.) studied for emissions are also thoroughly discussed in the respective Funds' annual reports and in our SRI webpage:
https://www.carmignac.lu/en_GB/responsible-investment/template-hub-policies-reports-4528
- Carbon emissions per Million USD invested, total carbon emissions and carbon intensity are detailed. In the annual report of 2020, the Fund carbon emission reference will be Carbon intensity to allow comparison across asset classes together with fossil fuel revenues.

5.4. PLEASE LIST ALL PUBLIC MEDIA AND DOCUMENTS USED TO INFORM INVESTORS ABOUT THE SRI APPROACH TO THE FUND AND INCLUDE URLS. THIS SHOULD INCLUDE A LINK TO THE DETAILED, NO MORE THAN 6 MONTHS OLD, LIST OF HOLDINGS OF THE FUND(S).

- Prospectus available on the Fund's web page
- Semi-annual and annual reports available on the Fund's web page
- KIID available on the Fund's web page
- Detailed positions composing the Fund available in the quarterly reports

Funds web page for all other reports please see the Documents and Reports section:

Carmignac Patrimoine

https://www.carmignac.lu/en_GB/funds/carmignac-patrimoine/a-eur-acc/documents-and-reports

Carmignac Portfolio Patrimoine

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-patrimoine/f-usd-acc-hdg/documents-and-reports

Carmignac Sécurité

https://www.carmignac.lu/en_GB/funds/carmignac-securite/a-eur-acc/documents-and-reports

Carmignac Portfolio Sécurité

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-securite/f-usd-acc-hdg/documents-and-reports

Carmignac Portfolio Flexible Bond

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-flexible-bond/a-eur-acc/fund-overview-and-characteristics

Carmignac Portfolio Emerging Markets Debt

https://www.carmignac.lu/en_GB/funds/carmignac-portfolio-em-debt/a-eur-acc/fund-overview-and-characteristics

Carmignac Portfolio Global Bond

https://www.carmignac.fr/en_GB/funds/carmignac-portfolio-global-bond/a-eur-acc/documents-and-reports

Funds pages

Share class

A EUR Acc

Change Fund

- Fund overview and characteristics
- Performance
- Global Fund Allocation
- Bond component
- Equity component
- Quarterly Holdings**
- Documents and reports

in

Latest documents and reports

Please use the menu below to select which reports you want to view / download

Weekly Report PRO PDF - Carmignac Portfolio Grande Europe	Monthly Factsheet (including ESG data) PDF - Carmignac Portfolio Grande Europe
Product Sheet PDF - Carmignac Portfolio Grande Europe	KIID PDF - Carmignac Portfolio Grande Europe
Prospectus PDF - Carmignac Portfolio Grande Europe	Semi-annual report PDF - Carmignac Portfolio Grande Europe
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Notice to shareholders PDF - Carmignac Portfolio Grande Europe	SRI Flyer PDF - Carmignac Portfolio Grande Europe
ESG and HR indicators PDF - Carmignac Portfolio Grande Europe	Sustainability Quarterly Report PDF - Carmignac Portfolio Grande Europe
SRI Guidelines PDF - Carmignac Portfolio Grande Europe	Fund Sustainability-related disclosure PDF - Carmignac Portfolio Grande Europe

Sustainable Investment Website

https://www.carmignac.lu/en_GB/responsible-investment/snapshot-4742

SUSTAINABLE INVESTING: OUR CONVICTION

Our mission is to create value for our clients and positive outcomes for the society and the environment by embedding Environmental, Social and Governance (ESG) considerations into our investment process and by using our voice as an active owner.



GLOSSARY

ESG integration	Assess E, S and G risks and document them as part of investment rationale, engage with companies on ESG topics
Norms based screening	Respect globally recognised exclusions from EU or UN sanction lists
Exclusions	Key hard exclusions are controversial weapons, tobacco, coal (10% revenue limit) mining companies, and adult entertainment
Active voting policy	High level of voting participation (target 100%)
Carbon emissions analytics	Full report on carbon footprint, carbon intensity, % fossil fuel revenues, vs benchmark
ESG analytics	Full assessment on E, S and G factors, scoring vs benchmark
Targeted voting policy 100%	Funds voting participation is close to 100%,
Full SFDR disclosure in prospectus	Fund category in accordance with the Sustainable Finance Disclosure Regulation 2019/2088, Article 8 or 9.
SRI label	Recognised SRI label certification and yearly audit by a government approved auditor
Low carbon approach	Carbon Intensity (CO2/ % M€ revenues at minimum 30% below reference indicator), S&P Trucost data, GHG Protocol, Scope 1&2
Extended exclusions	Additional exclusion lists such as for example, conventional weapons, high carbon emitting sectors
Best in universe	Best ESG practice irrespective of sector
Best efforts	Companies with improving ESG policies
Best in class	Best ESG practice within each sector
Green bond	Participate in sovereign or corporate Green bond issues
Positive impact	intention to generate a measurable social and environmental impact alongside a financial return
Thematic approach	Funds with environment or social sustainability themes often i.e. environmental and Positive Impact funds

DISCLAIMER

Marketing communication. Source: Carmignac, October 2023.

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In the United Kingdom, the Carmignac Funds' respective prospectuses, KIIDs and annual reports are available at www.carmignac.co.uk, or upon request to the Management Company, or for the French Funds, at the offices of the Facilities Agent at BNP PARIBAS SECURITIES SERVICES, operating through its branch in London: 55 Moorgate, London EC2R.

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CARMIGNAC GESTION Luxembourg - City Link - 7, rue de la Chapelle - L-1325 Luxembourg - Tel : (+352) 46 70 60 1

Subsidiary of Carmignac Gestion - Investment fund management company approved by the CSSF Public limited company with share capital of € 23,000,000 - RCS Luxembourg B 67 549