SFDR-RELATED INFORMATION

ANNEX IV

Periodic disclosure template for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PATRIMOINE
Legal entity identifier: 969500YXGX7FIVOU3F31

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

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

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Did this financial product have a sustainable investment objective?

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

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

The fund applies a “best-in-universe” approach (identifying companies whose activities are sustainable) and a “best-efforts” approach (consisting in favouring issuers that exhibit an improvement or strong prospects in terms of ESG practices and performance over time) in order to invest sustainably: 1) ESG integration, 2) negative screening, 3) positive screening using an approach based on alignment with the United Nations Sustainable Development Goals, 4) active stewardship to promote environmental and social characteristics, and 5) monitoring of principal adverse impacts – PAIs.
No failures to achieve the environmental and social characteristics promoted were identified during the year.

HOW DID THE SUSTAINABILITY INDICATORS PERFORM?

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

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

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

2) **Reduction of the investment universe** (minimum 20% of the portfolio's equity and corporate bond components):
   a. **Exclusions at management company level:** unsustainable activities and practices are identified using an approach based on international standards and rules in the following areas: (a) controversies concerning the OECD Guidelines, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the principles of the United Nations Global Compact, (b) controversial weapons, (c) thermal coal production, (d) energy producers, (e) tobacco, (f) adult entertainment.
   b. **Negative screening specific to the fund:** The equity portfolio positions with an MSCI rating for the environmental or social pillars of below 1.4 (on a scale from 0 to 10), and bond portfolio positions with an MSCI rating for the environmental or social pillars of below 2.5 (on a scale from 0 to 10), or with an overall MSCI rating of CCC (on a scale from AAA to CCC) are excluded from the fund's investment universe. Companies with a START score of C or above (on a rating scale of A to E) may re-enter the fund once the portfolio manager has carried out an ad-hoc analysis (which may entail engagement with the issuer). The table below details the correspondences between the MSCI and START ratings used by the fund for negative screening.

MSCI lower limit		START rating		MSCI upper limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

In 2023, the portfolio's investment universe was reduced by 20.7% for the portfolio's equity component, and by 20.2% for the bond component, on average, based on quarter-end data.
In December 2023, we changed our universe reduction method to eliminate any biases that could result in significant differences between the composition of the indices constituting these universes and that of the fund's portfolio. This is why the average universe reduction presented above is composed of the non-reweighted universe reduction for Q1, Q2 and Q3, and the reweighted universe reduction for Q4 2023.

3) **Positive screening (responsible investment):** at least 10% of the fund's net assets are invested in the equities of companies that are positively aligned with the United Nations

Sustainable Development Goals. The minimum levels of sustainable investments with environmental and social objectives are 1% and 3% of the fund's net assets, respectively.

An investment/issuer is aligned when at least one of the following three thresholds is reached:

a. **Goods and services:** at least 50% of their revenue derives from goods or services linked to at least one of the following nine United Nations Sustainable Development Goals, out of 17: (1) No poverty, (2) Zero hunger, (3) Good health and well-being, (4) Quality education, (6) Clean water and sanitation, (7) Affordable and clean energy, (9) Industry, innovation and infrastructure, (11) Sustainable cities and communities and (12) Responsible consumption and production; or
b. **Capital expenditure (CapEx):** at least 30% of capital expenditure is on business activities related to at least one of the following nine United Nations Sustainable Development Goals, out of 17: (1) No poverty, (2) Zero hunger, (3) Good health and well-being, (4) Quality education, (6) Clean water and sanitation, (7) Affordable and clean energy, (9) Industry, innovation and infrastructure, (11) Sustainable cities and communities and (12) Responsible consumption and production; or
c. **Operations:**
   i. The issuer has been given "aligned" status, for operational alignment, for at least three of the 17 UN Sustainable Development Goals, determined on the basis of evidence provided by the issuer regarding its policies, practices and objectives in line with these Sustainable Development Goals. "Aligned" status corresponds to an operational alignment score higher than or equal to +2 (on a scale from -10 to +10), as determined by the external rating provider selected by the management company; and
   ii. The issuer has not been given "non-aligned" status, for operational alignment, for any of the 17 United Nations Sustainable Development Goals. "Non-aligned" status corresponds to an operational alignment score of less than or equal to -2 (on a scale from -10 to +10), as determined by the external rating provider selected by the management company.

These thresholds represent a significant commitment from the issuer with respect to its contribution. To find out more about the United Nations sustainable development goals, please visit https://sdgs.un.org/goals. In 2023, 26.6% of the fund's net assets were invested in the equities of companies that were positively aligned with one of the SDGs listed above, on average, based on quarter-end data. The sustainable investment levels with environmental and social objectives are 10.5% and 16.1% of the fund's net assets respectively, on average, based on quarter-end data for 2023. Our definition of sustainable investment changed in July 2023 to include the alignment of operations with the SDGs and a modification of the alignment threshold for capital expenditure, which was increased from 30% to 50%. The average universe reduction percentage stated above therefore reflects the definition of sustainable investment in place at the time: using the previous definition for Q1 and Q2 and the current definition for Q3 and Q4 2023 respectively.

4) **Active stewardship:** companies' environmental and social engagement efforts leading to an improvement in companies' sustainable development policies are measured using the following indicators: (a) level of active engagement and voting policies, (b) number of engagement efforts, (c) voting rate and (d) participation in shareholder (or bondholder) meetings.

   In 2023, we engaged with 60 companies at Carmignac level, and 22 companies at Carmignac Patrimoine level. We therefore exercised almost 98.2% of the votes for the companies in which we had holdings.

5) **Principal adverse impacts – PAI:** as regards monitoring principal adverse impacts, and in accordance with Annex 1 to Commission Delegated Regulation (EU) 2022/1288, the fund monitors 16 mandatory environmental and social indicators, and two optional indicators to demonstrate the impact of sustainable investments with respect to these indicators: greenhouse gas (GHG) emissions, carbon footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel sector, share of non-renewable energy consumption and production, energy consumption intensity per high impact climate sector, activities negatively affecting biodiversity-sensitive areas, emissions in water, hazardous waste and radioactive waste ratio, water usage and recycling (optional choice), violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, unadjusted gender pay gap, board gender diversity, exposure to controversial weapons, excessive pay ratio (optional choice). Sovereign issuers are monitored for violations of social norms with respect to their GHG intensity.

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

PAI indicators	Based on data provided by the company	Fund	Hedging
Scope 1 GHG	Scope 1 GHG emissions	289842.51	99.89%
Scope 2 GHG	Scope 2 GHG emissions	51808.61	99.89%
Scope 3 GHG	From 1 January 2023, Scope 3 GHG emissions	2259837.65	99.63%
Total GHG	Total GHG emissions	2599002.12	99.01%
Carbon footprint	Carbon footprint	574.91	99.01%
GHG intensity level	GHG intensity of companies	1257.57	99.01%
Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	15%	99.01%
Share of non-renewable energy consumption and production	Share of non-renewable energy consumptionand production of investee companies from non-renewable energy sources compared with renewable energy sources, expressed as a percentage	65%	78.36%

Energy consumption intensity per high impact climate sector –Total	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – Total	0.61	89.07%
Energy consumption intensity per high impact climate sector – NACE Sector A	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector A (Agriculture, forestry and fishing)	0.00	89.07%
Energy consumption intensity per high impact climate sector – NACE Sector B	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector B (Mining and quarrying)	1.61	89.07%
Energy consumption intensity per high impact climate sector – NACE Sector C	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector C (Manufacturing)	0.20	89.07%
Energy consumption intensity per high impact climate sector – NACE Sector D	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector D (Electricity, gas, steam and air conditioning supply)	4.86	89.07%
Energy consumption intensity per high impact climate sector – NACE Sector E	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector E (water supply, sewerage, waste management and remediation activities)	0.00	89.07%
Energy consumption intensity per high impact climate sector – NACE Sector F	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector F (Construction)	0.00	89.07%
Energy consumption intensity per high impact climate sector – NACE Sector G	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	0.07	89.07%
Energy consumption intensity per high impact climate sector – NACE Sector H	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector H (Transportation and storage)	2.10	89.07%
Energy consumption intensity per high impact climate sector – NACE Sector L	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector L (Real estate activities)	0.79%	89.07%
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0%	99.01%
Emissions relating to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.00	0.53%
Hazardous waste	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	81.74	38.35%
Water usage and recycling	Average amount of water consumed and recovered by investee companies (in cubic metres) per million EUR of revenue	0.00	6.38%
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00	99.98%
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.31	99.01%

Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	11%	32.52%
Board gender diversity	Average ratio of female to male board members in investee companies	38%	99.89%
Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00	99.10%
Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual).	272.05	71.84%
Greenhouse gas intensity (sovereign and supranational)	GHG intensity of investee countries (tonnes of CO_2e emissions per million EUR of the country's GDP)	320.58	0.00%
Social violations (sovereign and supranational)	Number of investee countries subject to social violations (as an absolute number and in proportion to the total number of countries receiving investments), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law.	0.25	0.00%

…AND COMPARED WITH PREVIOUS PERIODS?

This fund uses sustainability indicators derived from its four-pillar approach to measure the attainment of each of the environmental or social characteristics it promotes:

1) **Coverage rate of ESG analysis:** ESG integration, through ESG rating via Carmignac's proprietary "START" (System for Tracking and Analysis of a Responsible Trajectory) platform, is applied to at least 90% of securities. As of 30 December 2022, the ESG analysis coverage rate was 99.43% of the securities in the portfolio (excluding cash and derivatives).

2) **Reduction of the investment universe** (minimum 20% of the portfolio's equity and corporate bond components): negative screening and exclusions of unsustainable activities and practices, reflected in low ESG scores from START, MSCI and ISS ("Institutional Shareholder Services") ESG, are carried out on the basis of the following indicators: (a) practices that are harmful to society and to the environment, (b) controversies concerning the OECD guidelines and the UN Global Compact principles, (c) controversial weapons, (d) thermal coal production, (e) energy producers that have not set a target for alignment with the Paris Agreement, (f) companies involved in tobacco production and (g) companies involved in adult entertainment. As of 30 December 2022, the investment universe of the equity component of the portfolio was reduced by 21.17% and that of the bond component of the portfolio was reduced by 21.77%.

3) **Positive screening:** at least 10% of the fund's net assets (i.e. its net assets excluding cash, derivatives used for hedging purposes, and funds used for cash management) are invested in the equities of companies deriving at least 50% of their revenue from goods or services linked to business activities that positively align with at least one of the nine United Nations Sustainable Development Goals out of 17. To find out more about the United Nations

sustainable development goals, please visit https://sdgs.un.org/goals.. As of 30 December 2022, 24.7% of the fund's net assets were invested in the equities of companies that were positively aligned with one of the nine SDGs listed above.

4) **Active stewardship:** companies' environmental and social engagement efforts leading to an improvement in companies' sustainable development policies are measured using the following indicators: (a) level of active engagement and voting policies, (b) number of engagement efforts, (c) voting rate and (d) participation in shareholder (or bondholder) meetings.

In 2022, we engaged with 81 companies at Carmignac level, and 19 companies at Carmignac Patrimoine level. We therefore exercised almost 100% of the votes for the companies in which we had holdings (98.21%).

Moreover, as regards monitoring principal adverse impacts ("PAI"), and in accordance with Annex 1 to Commission Delegated Regulation (EU) 2022/1288, the fund monitors 16 mandatory environmental and social indicators, and 2 optional indicators to demonstrate the impact of sustainable investments with respect to these indicators: greenhouse gas (GHG) emissions, carbon footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel sector, share of non-renewable energy consumption and production, energy consumption intensity per high impact climate sector, activities negatively affecting biodiversity-sensitive areas, emissions in water, hazardous waste and radioactive waste ratio, water usage and recycling (optional choice), violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, unadjusted gender pay gap, board gender diversity, exposure to controversial weapons, excessive pay ratio (optional choice). Sovereign issuers are monitored for violations of social norms and their GHG intensity.

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

PAI indicators	Based on data provided by the company	Fund	Hedging
Scope 1 GHG	Scope 1 GHG emissions	**345,252.50**	58%
Scope 2 GHG	Scope 2 GHG emissions	**59,752.50**	58%
Scope 3 GHG	From 1 January 2023, Scope 3 GHG emissions	**2,762,720**	58%
Total GHG	Total GHG emissions	**3,167,727.50**	58%
Carbon footprint	Carbon footprint	**399.07**	58%
GHG intensity level	GHG intensity of companies	**968.4025**	58%
Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	**8%**	58%
Share of non-renewable energy consumption	Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared with renewable energy sources, expressed as a percentage	**68%**	58%

Share of non-renewable energy production	Share of non-renewable energy production of investee companies from non-renewable energy sources compared with renewable energy sources, expressed as a percentage	**22%**	58%
Energy consumption intensity per high impact climate sector – Total	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – Total	**0.345**	58%
Energy consumption intensity per high impact climate sector – NACE Sector A	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector A (Agriculture, forestry and fishing)	**N/A**	58%
Energy consumption intensity per high impact climate sector – NACE Sector B	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector B (Mining and quarrying)	**0.89**	58%
Energy consumption intensity per high impact climate sector – NACE Sector C	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector C (Manufacturing)	**0.2375**	58%
Energy consumption intensity per high impact climate sector – NACE Sector D	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector D (Electricity, gas, steam and air conditioning supply)	**5.8075**	58%
Energy consumption intensity per high impact climate sector – NACE Sector E	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector E (water supply, sewerage, waste management and remediation activities)	**N/A**	58%
Energy consumption intensity per high impact climate sector – NACE Sector F	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector F (Construction)	**N/A**	58%
Energy consumption intensity per high impact climate sector – NACE Sector G	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	**0.03**	58%
Energy consumption intensity per high impact climate sector – NACE Sector H	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector H (Transportation and storage)	**1.7675**	58%
Energy consumption intensity per high impact climate sector – NACE Sector L	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector L (Real estate activities)	**0.505**	58%
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	**1%**	58%
Emissions relating to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	**201.57**	58%
Hazardous waste	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	**118.265**	58%
Water usage and recycling	Average amount of water consumed and recovered by the investee companies (in cubic metres) per million EUR of revenue	**2982.885**	58%
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	**1%**	58%
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	**24%**	58%

Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	**85%**	58%
Board gender diversity	Average ratio of female to male board members in investee companies	**33%**	58%
Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	**0**	58%
Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual).	**90.3**	58%

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

The fund invests at least 10% of its net assets in companies that are positively aligned with the United Nations Sustainable Investment Goals taken into consideration. The minimum levels of sustainable investments with environmental and social objectives are 1% and 3% of the fund's net assets, respectively.

As mentioned above, an issuer is considered to be aligned when at least one of the following three thresholds is reached:

a. **Goods and services:** at least 50% of their revenue derives from goods or services linked to at least one of the following nine United Nations Sustainable Development Goals, out of 17: (1) No poverty, (2) Zero hunger, (3) Good health and well-being, (4) Quality education, (6) Clean water and sanitation, (7) Affordable and clean energy, (9) Industry, innovation and infrastructure, (11) Sustainable cities and communities and (12) Responsible consumption and production; or
b. **Capital expenditure (CapEx):** at least 30% of capital expenditure is on business activities related to at least one of the following nine United Nations Sustainable Development Goals, out of 17: (1) No poverty, (2) Zero hunger, (3) Good health and well-being, (4) Quality education, (6) Clean water and sanitation, (7) Affordable and clean energy, (9) Industry, innovation and infrastructure, (11) Sustainable cities and communities and (12) Responsible consumption and production; or
c. **Operations:**
    i. The issuer has been given "aligned" status, for operational alignment, for at least three of the 17 UN Sustainable Development Goals, determined on the basis of evidence provided by the issuer regarding its policies, practices and objectives in line with these Sustainable Development Goals. "Aligned" status corresponds to an operational alignment score higher than or equal to +2 (on a scale from -10 to +10), as determined by the external rating provider selected by the management company; and
    ii. The issuer has not been given "non-aligned" status, for operational alignment, for any of the 17 United Nations Sustainable Development Goals. "Non-aligned" status corresponds to an operational alignment score of less than or equal to -2 (on a scale from -10 to +10), as determined by the external rating provider. These thresholds indicate significant

commitment from the company with respect to its contribution. To find out more about the United Nations sustainable development goals, please visit https://sdgs.un.org/goals.

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

The management company used the following mechanisms to ensure that the fund's responsible investments do not cause significant harm to any of the environmental or social sustainable investment objectives:

1) **Reduction of the investment universe** (minimum 20% of the portfolio's equity and corporate bond components):
   i) **Exclusions at management company level:** unsustainable activities and practices are identified using an approach based on international standards and rules in the following areas: (a) controversies concerning the OECD Guidelines, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the principles of the United Nations Global Compact, (b) controversial weapons, (c) thermal coal production, (d) energy producers, (f) tobacco, (g) adult entertainment.
   ii) **Negative screening specific to the fund:** Equity portfolio positions with an MSCI rating for the environmental or social pillars of below 1.4 (on a scale from 0 to 10), and bond portfolio positions with an MSCI rating for the environmental or social pillars of below 2.5 (on a scale from 0 to 10), or with an overall MSCI rating of CCC (on a scale from AAA to CCC) are excluded from the fund's investment universe. Companies with a START score of C or above (on a rating scale of A to E) may re-enter the fund once the portfolio manager has carried out an ad-hoc analysis (which may entail engagement with the issuer).

2) **Active stewardship:** ESG engagement efforts with companies, contributing to a heightened awareness and improvement in companies' sustainable development policies, are measured using the following indicators: (a) level of active engagement and voting policies, (b) number of engagement efforts, (c) voting rate and (d) participation in shareholder (or bondholder) meetings.

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

HOW HAVE THE ADVERSE IMPACT INDICATORS BEEN TAKEN INTO ACCOUNT?

Indicators for adverse impacts are monitored on a quarterly basis. Adverse impacts are identified based on severity. After discussion with the investment team concerned, a plan of action including an execution schedule is drawn up.

In general, dialogue with the company is the preferred plan of action in order to influence the mitigation of adverse impacts by the company concerned. In such cases, engagement with the company is included in Carmignac's quarterly engagement plan, in accordance with Carmignac's engagement policy. Divestment may be an option, with an exit strategy determined in advance within the limits of this policy.

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

The management company applies a screening process for controversies regarding the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights to all of the fund's investments.

The management company acts in accordance with the principles of the United Nations Global Compact (UNGC), the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the Organisation for Economic Co-operation and Development (OECD) guidelines allowing multinational enterprises to assess the standards applicable to them, including, but not limited to, violations of human rights, employment law and standard practices relating to climate.

The fund applies a controversy screening process to all its investments. Companies implicated in major controversies regarding the environment, human rights and international employment law, among other infractions, are excluded. The screening process identifies controversies on the basis of the OECD Guidelines for Multinational Enterprises and the principles of the United Nations Global Compact. This is generally referred to as "standards-based screening" and it includes restrictive screening controlled and measured using Carmignac's proprietary ESG system "START". Company controversies are researched and rated using data extracted from the ISS ESG database.

The EU Taxonomy sets out a "do no significant harm" principle whereby Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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

The management company is committed to applying the regulatory technical standards (RTS) referred to in Annex 1 of Delegated Regulation (EU) 2022/1288, which define 16 mandatory environmental and social indicators, and two optional indicators to demonstrate the impact of sustainable investments with respect to these indicators: greenhouse gas (GHG) emissions, carbon footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel sector, share of non-renewable energy consumption and production, energy consumption intensity per high impact climate sector, activities negatively affecting biodiversity-sensitive areas, emissions in water, hazardous waste and radioactive waste ratio, water usage and recycling (optional choice), violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, unadjusted gender pay gap, board gender diversity, exposure to controversial weapons, excessive pay ratio (optional choice). Sovereign issuers are monitored for violations of social norms and their GHG intensity.

As part of its PAI strategy, Carmignac identifies companies that are performing worse than the benchmark on PAI indicators. Our third-party data provider MSCI allows us to track the impact of our funds for each PAI.
The fund's PAI values are compared against the values for the reference benchmark. If one of the fund's PAIs underperforms the reference benchmark beyond a certain threshold, we look for the companies that contributed the most to the underperformance of the PAI in question. These companies are considered to be outlier stocks.
Identifying companies that are performing worse than the index in terms of PAI allows us to engage in dialogue with the companies to ensure that they are committed to reducing their impact. Carmignac Patrimoine does not present outlier values compared with its reference benchmark for the PAI indicators. We will carry out monitoring of the portfolio companies if outlier values appear.

WHAT WERE THE TOP INVESTMENTS OF THIS FINANCIAL PRODUCT?

Please find below the top 15 investments for 2023 based on average month-end data for the equity and bond components of the portfolio:

Largest investments	Sector	% of assets	Country
HERMES INTERNATIONAL	Consumer discretionary	2.16%	France
ELI LILLY & CO	Healthcare	2.08%	United States
MICROSOFT CORP	IT	2.03%	United States
AMAZON.COM INC	Consumer discretionary	1.63%	United States
AIRBUS GROUP	Industry	1.44%	France
ADVANCED MICRO DEVICES INC	IT	1.41%	United States
AGNICO EAGLE MINES	Materials	1.36%	Canada
S&P GLOBAL INC	Finance	1.28%	United States
NOVO NORDISK AS	Healthcare	1.28%	Denmark
ASTRAZENECA PLC	Healthcare	1.25%	United Kingdom
ALIBABA GROUP HOLDING	Consumer discretionary	1.22%	China
NEWMONT MINING	Materials	1.18%	United States
FACEBOOK INC	Telecom Services	1.12%	United States
SCHLUMBERGER	Energy	1.10%	United States
U BS AG	Finance	1.08%	Switzerland

Largest investments	Sector	% of assets	Country
ITALY 3.50% 15/01/2026	Government bonds	4.19%	Italy
ITALY 0.50% 01/02/2026	Government bonds	2.62%	Italy
USA 1.12% 15/01/2033	Government bonds	2.02%	United States
UNITED STATES 0.12% 15/04/2025	Government bonds	1.29%	United States
UNITED STATES 0.12% 15/04/2026	Government bonds	1.04%	United States
FRANCE 0.10% 01/03/2029	Government bonds	1.01%	France
GREECE 4.25% 15/06/2033	Government bonds	0.90%	Greece
UNITED STATES 1.12% 15/01/2033	Government bonds	0.73%	United States
ITALY 1.25% 17/02/2026	Government bonds	0.66%	Italy
CZECH REPUBLIC 1.95% 30/07/2037	Government bonds	0.50%	Czech Republic
PETROLEOS MEXICANOS 4.88% 21/02/2028	Energy	0.47%	Mexico
PEMEX 4.88% 21/02/2028	Energy	0.47%	Mexico
BNP PARIBAS 11/06/2030	Finance	0.42%	France
BNP PARIBAS S 7.38% 11/06/2030	Finance	0.41%	France
ROMAN IA 4.62% 03/04/2049	Government bonds	0.40%	Romania

Source: Carmignac, 29/12/2023

WHAT PERCENTAGE OF INVESTMENTS WERE SUSTAINABILITY RELATED?

In 2023, sustainable investments (aligned with the sustainable development goals) accounted for 26.6% of the fund's net assets, on average, based on quarter-end data.

WHAT WAS THE ASSET ALLOCATION?

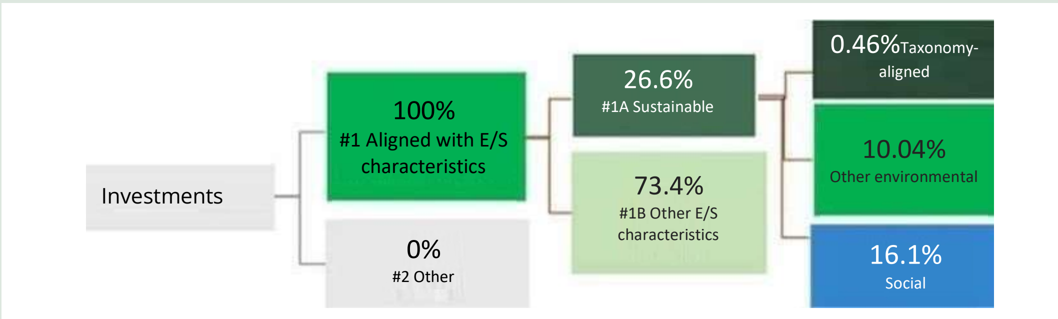
At least 90% of the fund's investments are intended to attain the environmental or social characteristics it promotes, in accordance with the binding elements of the investment strategy. In 2023, the ESG analysis coverage rate was 100% of the securities in the portfolio (excluding cash and derivatives),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

Minimum share of sustainable investments:
The fund invests sustainably, in that it invests at least 10% of its net assets in the equities of companies that positively align with the United Nations Sustainable Development Goals. As well as making sustainable investments accounting for at least 10% of the net assets, the fund may target companies whose goods and services, Capex and operations are not aligned with the Sustainable Development Goals taken into consideration. The minimum levels of investments promoting E/S characteristics, and with environmental and social objectives, will be 1% and 3% of the Fund's net assets, respectively. In 2023, these proportions were 10.5% and 16.1% of the fund's net assets respectively, on average, based on quarter-end data.

Share of #2 Other investments:
Where investments fall outside the minimum limit of 90% incorporating environmental and social characteristics, ESG analysis may not have been carried out. In 2023, this proportion was 0% of the Fund's net assets, on average, based on quarter-end data.

Asset allocation describes the share of investments in specific assets.

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



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

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

The category #1 Aligned with E/S characteristics covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments

IN WHICH ECONOMIC SECTORS WERE THE INVESTMENTS MADE?

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

Economic sectors	% of assets
Healthcare	8.5%
Information Technology	6.6%
Consumer Discretionary	6.5%
Materials	5.5%
Finance	4.1%
Industry	3.6%
Telecom Services	2.9%
Consumer Staples	2.6%
Energy	1.3%
Energy equipment and services	1.1%
Oil, gas and fuel	0.2%
Real estate	0.6%
Utilities	0.3%

Source: Carmignac, 29/12/2023

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

Economic sectors	% of assets
Finance	9.18%
Energy	7.37%
Energy equipment and services	4.35%
Oil, gas and fuel	3.02%
Consumer discretionary	1.61%
Property	1.12%
Telecom Services	1.10%
Utilities	1.00%
IT	0.38%
Industry	0.36%
Healthcare	0.34%
Materials	0.05%
Consumer Staples	0.02%

Source: Carmignac, 29/12/2023

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

The fund has an environmental objective linked to the Sustainable Development Goals and not to the European Taxonomy. In 2023, its alignment with the EU Taxonomy was 0.46%.

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

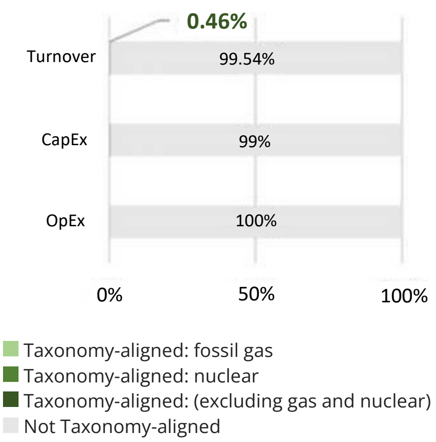
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

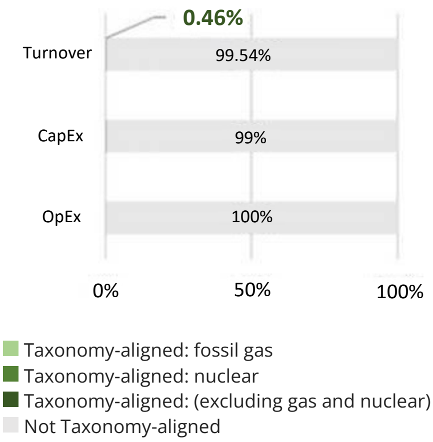
☒ No:

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

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



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



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

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

WHAT WAS THE SHARE OF THE INVESTMENTS MADE IN TRANSITIONAL AND ENABLING ACTIVITIES?

N/A.

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

In 2022, the fund's alignment with the EU Taxonomy was 0.46%.

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

Sustainable investments with an environmental objective that are not aligned with the EU Taxonomy accounted for 10.04% of the net assets, on average, based on quarter-end data for 2023.

WHAT WAS THE SHARE OF SOCIALLY SUSTAINABLE INVESTMENTS?

In 2023, the share of sustainable investments with a social objective was 16.1% of the fund's net assets, on average, based on quarter-end data.

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

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

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

Moreover, the exclusion process ensuring compliance with the do no significant harm principle, lack of significant harm, and monitoring of adverse impacts apply to all fund assets.

At issuer level (for equities and corporate bonds), investments that are not sustainable investments are assessed to ensure compliance with global standards on environmental protection, human rights, employment practices and anti-corruption measures through controversy screening ("standards-based" approach). These investments are analysed on the basis of the minimum safeguards in place to ensure that their business activities comply with the OECD

Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

WHAT ACTIONS HAVE BEEN TAKEN TO COMPLY WITH THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS DURING THE REFERENCE PERIOD?

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

ESG integration

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

Sustainable development report

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

Commitments

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

Transparency

- We created a new sustainable investment centre on our website to showcase our ESG approach, policies and reports: https://www.carmignac.com/en_US/sustainable-investment/overview
- We have launched an ESG result calculator so that investors can assess the social and environmental contributions of their investments in our responsible and sustainable funds. Our ESG result calculator is above all a teaching tool to help them to understand what their savings are indirectly financing. It reflects our commitment to transparency and reinforces our sustainable investment approach.
  It is available here: https://www.carmignac.co.uk/en_GB/sustainable-investment/esg-outcomes-calculator

Collaborative engagement

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

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

In 2023, we engaged with 60 companies at Carmignac level, and 22 companies at Carmignac Patrimoine level.

For example, in 2023, Carmignac held two meetings with Total Energies.
These two meetings were an opportunity for Carmignac to give the company feedback about its climate strategy. We acknowledged the efforts made by the company to address a series of sustainability issues and the maturing of its energy transition strategy.
The key points discussed with the company are highlighted below:

- Responsibility for indirect CO2 emissions (scope 3);
- Change in investments in low carbon energy;
- Use of offsetting mechanisms instead of technology able to reduce carbon emissions directly;
- Articulation of the environmental benefits of the gas expansion strategy using an analysis of prospective scenarios compared with other viable technologies.

Carmignac consequently voted against the company's 2023 report on sustainable development and climate progress. We remain concerned about the fact that the company's report lacks significant information required for us to understand and compare its energy transition strategy with its peers' strategies. We also believe that the management is not sufficiently willing to acknowledge the company's responsibility for the emissions from its products. In our view this position will not be tenable in the medium- or long-term from a legal viewpoint.

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

N/A.

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

N/A.

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

N/A.

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

N/A.

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

N/A.

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