

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.

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

Product name: CARMIGNAC PORTFOLIO ASIA DISCOVERY

Legal entity identifier: 5493001UQQGPERC77586

Environmental and/or social characteristics

1. Did this financial product have a sustainable investment objective?



Yes



No

☐ It made **sustainable investments 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

☐ It made **sustainable investments with a social objective:** ____%



2. It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 66 % of sustainable investments



with an environmental objective in economic activities that 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 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 met?

The Sub-Fund has promoted environmental and social characteristics by applying a best-in-universe approach to invest in a sustainable manner: 1) ESG integration, 2) Negative screening, 3) Positive screening applying a UN SDG alignment approach, 4) Active Stewardship to promote Environment and Social characteristics, 5) Monitoring of Principal Adverse Impacts.



No breach of environmental and social characteristics promoted have been identified during the year.



How did the sustainability indicators perform?

This Sub-Fund has used the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted :

1) The coverage rate of ESG analysis:

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The coverage rate of ESG analysis: ESG integration through ESG scoring using Carmignac's proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory) is applied to at least 90% of issuers. In 2024, the coverage rate of ESG analysis was 94.5% of issuers, on average, based on 2 quarters ends data (fund classified article 8 since July 2023).

2)

The amount the universe is reduced by (minimum 20%):

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices are identified using an international norms and rules-based approach on the following: (a) controversies against the OECD business guidelines, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and UN Global compact principles, (b) controversial weapons, (c) thermal coal mining, (d) power generation companies, (e) tobacco, (f) adult entertainment.

ii) Fund-specific: Extended activity or stricter exclusion criteria cover oil and gas extraction, weapons, and gambling related sectors. Equity portfolio positions with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B" on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

Prior to reducing the investment universe as described above, the equities investment universes, as applicable, are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of the indices making up these universes and that of the Sub-Fund's portfolio. Each issuer is re-weighted according to the fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalization (small/mid/large) allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the fund's historical weightings over its recommended investment horizon, considering sector, geography, and capitalization rotations

In 2024, the universe was reduced by 33.8% for the equity section of the portfolio, on average, based on 4 quarters ends data.

3) Positive screening: the Sub-Fund makes sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets are invested in shares of companies that are considered aligned with relevant United Nations Sustainable Development Goals. The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 15% of the Sub-Fund's net assets.

Alignment is defined for each investment / investee company by meeting at least one of the following three thresholds:

- a) **Products and services:** derive at least 50% of their revenue from goods and services that are related to one of the following nine SDGs (1) No Poverty, (2) No Hunger, (3) Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production; or
- b) **Capital expenditure:** invest at least 30% of their capital expenditure in business activities that are related to one of the following nine SDGs (1) No Poverty, (2) No Hunger, (3) Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production; or
- c) **Operations:**
 - i. the company achieves an "aligned" status for operational alignment for at least three (3) out of all seventeen (17) of the SDGs, based on the evidence provided by the investee company of available policies, practices and targets addressing such SDGs. An "aligned" status represents an operational alignment score of ≥ 2 (on a scale of -10 to +10) as determined by the external scoring provider; and

- ii. the company does not achieve a “misaligned” status for operational alignment for any SDG. A company is considered “misaligned” when its score is ≤ -2 (on a scale of -10 to +10), as determined by the external scoring provider.

These thresholds represent a significant intentionality of the company in regards to the contributing activity. For further information on the United Nations Sustainable Development Goals, please refer to <https://sdgs.un.org/goals>.

In 2024, 66% of the Sub-Fund’s net assets were invested according to this positive screening , on average, based on 4 quarters ends data . The levels of sustainable investments with environmental and social objectives were respectively 27.2% and 38.8% of the Sub-Fund’s net assets, on average, based on 4 quarters ends data.

4) Active stewardship: Environmental and social related company engagements leading to improvement in companies sustainability policies have been measured by following indicators: (a) level of active engagement and voting policies, (b) number of engagements, (c) rate of voting and (d) participation at shareholder and bondholder meetings). In 2024, we conducted 70 engagements with 54 companies and 1 sovereign entity at Carmignac level, and 3 company at Carmignac Portfolio Emerging Discovery level. At Sub-fund level, we voted for 100% of the meetings where we had shareholder or bondholder rights to exercise.

5) Principal adverse impacts: this Sub-Fund committed to applying the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 related to Principal Adverse Impacts whereby 14 mandatory and 2 optional environmental and social indicators (selected by the Sustainable Investment team for pertinence and coverage) monitored to show the impact of such sustainable investments against these indicators: Greenhouse gas emissions, Carbon footprint, GHG intensity (investee companies), Exposure to companies in fossil fuel sector, Non-renewable energy consumption and production, Energy consumption intensity per high-impact climate sector, Activities negatively affecting biodiversity-sensitive areas, Emissions to water, Hazardous waste ratio, Water usage and recycling (optional choice), Violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises, Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, Unadjusted gender pay gap, Board gender diversity, Exposure to controversial weapons, Excessive CEO pay ratio (optional choice). Sovereign bond issuers are monitored for Social violations and GHG intensity indicators.

Please find below the performance of the principal adverse impacts indicators for the year 2024, based on average quarter-end data, for the equity and corporate bond portions of the portfolio:

PAI Indicators	Based on company reported	Sub-Fund	Coverage
GHG Scope 1	Scope 1 GHG emissions	2,908.21	59.35%
GHG Scope 2	Scope 2 GHG emissions	2,082.99	59.35%
GHG Scope 3	From 1 January 2023, Scope 3 GHG emissions	29,080.37	59.41%
Total GHG	Total GHG emissions	34,773.70	58.41%
Carbon footprint	Carbon footprint	330.75	58.41%
GHG intensity	GHG intensity of investee companies	573.23	58.70%
Exposure to fossil fuels	Share of investments in companies active in the fossil fuel sector	0%	58.70%
Non-renewable energy consumption and production	Share of non-renewable energy consumption and production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	88%	50.75%
Energy consumption intensity - Total	Energy consumption in GWh per million EUR of revenue of investee companies - Total	0.36	52.48%
Energy consumption	Energy consumption in GWh per million EUR of revenue of investee		52.48%

intensity - NACE SectorA	companies - NACE Sector A(Agriculture, forestry and fishing)	0	
Energy consumption intensity - NACE SectorB	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B (Mining and quarrying)	1.24	52.48%
Energy consumption intensity - NACE SectorC	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C (Manufacturing)	0.23	52.48%
Energy consumption intensity - NACE Sector D	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning supply)	0.01	52.48%
Energy consumption intensity - NACE Sector E	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	0	52.48%
Energy consumption intensity - NACE Sector F	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F (Construction)	0.20	52.48%
Energy consumption intensity - NACE Sector G	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	0.13	52.48%
Energy consumption intensity - NACE SectorH	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H (Transporting and storage)	2.83	52.48%
Energy consumption intensity - NACE Sector L	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	0.50	52.48%
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%	58.98%
Emissions to water	Tons of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.00	0.50%
Hazardous waste	Tons of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	1.12	43.61%
Water usage and recycling	Average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	0.00	6.22%
Violations of UNGC/OECD	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0	69.54%
Processes to monitor UNGC / OECD compliance	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	0.04	58.33%
Gender pay gap	Average unadjusted gender pay gap of investee companies	12%	22.50%
Board gender diversity	Average ratio of female to male board members in investee companies	19%	57.16%
Controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0	67.45%
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)	784.36	29.00%

● ...and compared to previous periods?

The coverage rate of ESG analysis: ESG integration through ESG scoring using Carmignac's proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory) is applied to at least 90% of issuers. In 2023, the coverage rate of ESG analysis was 94.7% of issuers, on average, based on 2 quarters ends data (fund classified article 8 since July 2023).

2) The amount the universe is reduced by (minimum 20%):

i) **Firm-wide:** Negative screening and exclusions of unsustainable activities and practices are identified using an international norms and rules-based approach on the following: (a) controversies against the OECD business guidelines, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and UN Global compact

principles, (b) controversial weapons, (c) thermal coal mining, (d) power generation companies, (e) tobacco, (f) adult entertainment.

ii) Fund-specific: Companies having 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" or above on the START (rating from "E" to "A") can reintegrate into the Sub-Fund's investment universe after ad hoc analysis and engagement with the company.

Prior to reducing the investment universe as described above, the the equities and/or corporate bond investment universes, as applicable, are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of the indices making up these universes and that of the Sub-Fund's portfolio. Each issuer is re-weighted according to the fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalization (small/mid/large)) allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the fund's historical weightings over its recommended investment horizon, considering sector, geography, and capitalization rotations

In 2023, the universe was reduced by 22.9% for the equity section of the portfolio, on average, based on 4 quarters ends data.

3) Positive screening: the Sub-Fund makes sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets are invested in shares of companies that are considered aligned with relevant United Nations Sustainable Development Goals. The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 15% of the Sub-Fund's net assets.

Alignment is defined for each investment / investee company by meeting at least one of the following three thresholds:

- d) **Products and services:** derive at least 50% of their revenue from goods and services that are related to one of the following nine SDGs (1) No Poverty, (2) No Hunger, (3) Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production; or
- e) **Capital expenditure:** invest at least 30% of their capital expenditure in business activities that are related to one of the following nine SDGs (1) No Poverty, (2) No Hunger, (3) Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production; or
- f) **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 company in regards to the contributing activity. For further information on the United Nations Sustainable Development Goals, please refer to <https://sdgs.un.org/goals>.

In 2023, 79.1% of the Sub-Fund's net assets were invested according to this positive screening , on average, based on 2 quarters ends data (fund classified article 8 since July 2023). The levels of sustainable investments with environmental and social objectives were respectively 33.5% and 45.6% of the Sub-Fund's net assets, on average, based on 2 quarters ends data (fund classified article 8 since July 2023).

4) Active stewardship: Environmental and social related company engagements leading to improvement in companies sustainability policies have been measured by following indicators: (a) level of active engagement and voting policies, (b) number of engagements, (c) rate of voting and (d) participation at shareholder and bondholder meetings). In 2023, we engaged with 60 companies at Carmignac level, and 1 company at Carmignac Portfolio Emerging Discovery level. At Sub-fund level, we voted for 100% of the meetings where we had shareholder or bondholder rights to exercise.

5) Principal adverse impacts: this Sub-Fund committed to applying the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 related to Principal Adverse Impacts whereby 14 mandatory and 2 optional environmental and social indicators (selected by the Sustainable Investment team for pertinence and coverage) monitored to show the impact of such sustainable investments against these indicators: Greenhouse gas emissions, Carbon footprint, GHG intensity (investee companies), Exposure to companies in fossil fuel sector, Non-renewable energy consumption and production, Energy consumption intensity per high-impact climate sector, Activities negatively affecting biodiversity-sensitive areas, Emissions to water, Hazardous waste ratio, Water usage and recycling (optional choice), Violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises, Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, Unadjusted gender pay gap, Board gender diversity, Exposure to controversial weapons, Excessive CEO pay ratio (optional choice). Sovereign bond issuers are monitored for Social violations and GHG intensity indicators.

Please find below the performance of the principal adverse impacts indicators for the year 2023, based on average quarter-end data, for the equity and corporate bond portions of the portfolio:

PAI Indicators	Based on company reported	Sub-Fund	Coverage
GHG Scope 1	Scope 1 GHG emissions	1932.82	81%
GHG Scope 2	Scope 2 GHG emissions	2431.72	81%
GHG Scope 3	From 1 January 2023, Scope 3 GHG emissions	26975.85	80%
Total GHG	Total GHG emissions	31362.77	80%
Carbon footprint	Carbon footprint	325.44	80%
GHG intensity	GHG intensity of investee companies	502.64	82%
Exposure to fossil fuels	Share of investments in companies active in the fossil fuel sector	0%	82%
Non-renewable energy consumption and production	Share of non-renewable energy consumption and production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	88%	29%
Energy consumption intensity - Total	Energy consumption in GWh per million EUR of revenue of investee companies - Total	0.73	36%
Energy consumption intensity - NACE Sector A	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector A (Agriculture, forestry and fishing)	0.00	36%
Energy consumption intensity - NACE Sector B	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B (Mining and quarrying)	1.58	36%
Energy consumption intensity - NACE Sector C	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C (Manufacturing)	1.11	36%
Energy consumption intensity - NACE Sector D	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning supply)	0.01	36%
Energy consumption intensity - NACE Sector E	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	0.00	36%
Energy consumption intensity - NACE Sector F	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F (Construction)	0.09	36%
Energy consumption intensity - NACE Sector G	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	0.07	36%
Energy consumption intensity - NACE Sector H	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H (Transporting and storage)	1.75	36%
Energy consumption intensity - NACE Sector L	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	0.16	36%
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%	83%

Emissions to water	Tons of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	2334.73	1%
Hazardous waste	Tons of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	6.04	11%
Water usage and recycling	Average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	0.00	0%
Violations of UNGC/OECD	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00	86%
Processes to monitor UNGC / OECD compliance	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	0.66	76%
Gender pay gap	Average unadjusted gender pay gap of investee companies	4%	2%
Board gender diversity	Average ratio of female to male board members in investee companies	16%	80%
Controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00	85%
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)	279.77	22%

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The Sub-Fund makes sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets, are invested in shares of companies that are aligned with relevant United Nations Sustainable Development Goals (SDGs). The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 15% of the Sub-Fund's net assets.

As mentioned above, alignment is defined for each investment / investee company by meeting at least one of the following three thresholds:

- a) **Products and services:** derive at least 50% of their revenue from goods and services that are related to one of the following nine SDGs (1) No Poverty, (2) No Hunger, (3) Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production; or
- b) **Capital expenditure:** invest at least 30% of their capital expenditure in business activities that are related to one of the following nine SDGs (1) No Poverty, (2) No Hunger, (3) Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production; or
- c) **Operations:**
 - i. the company achieves an "aligned" status for operational alignment for at least three (3) out of all seventeen (17) of the SDGs, based on the evidence provided by the investee company of available policies, practices and targets addressing such SDGs. An "aligned" status represents an operational alignment score of ≥ 2 (on a scale of -10 to +10) as determined by the external scoring provider; and
 - ii. the company does not achieve a "misaligned" status for operational alignment for any SDG. A company is considered "misaligned" when its score is ≤ -2 (on a scale of -10 to +10), as determined by the external scoring provider.

These thresholds represent a significant intentionality of the company in regards to the contributing activity.

In 2024, the Sub-Fund had 66% of the portfolio's net assets invested in sustainable investments as per our definition above mentioned, on average, based on 4 quarters ends. The minimum levels of sustainable investments with environmental and social objectives were respectively 27.2% and 38.8% of the Sub-Fund's net assets, on average, based on 4 quarters ends data.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

We used the following mechanisms to ensure our sustainable investments do not cause significant harm to any environmental or social sustainable investment objective:

1) Universe reduction process:

i) Firm-wide exclusion: 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 negative screening: Extended activity or stricter exclusion criteria cover oil and gas extraction, weapons, and gambling related sectors. Equity portfolio positions with an overall START rating of "D" or "E" (rating from "E" to "A") are excluded of the Sub-Fund's investment universe. Companies having a START rating of E (rating from "E" to "A") on environmental or social pillars are excluded of the Sub-Fund's investment universe. Companies having an overall MSCI rating of "CCC" (rating from "C" to "AAA") are a priori excluded of the Sub-Fund's investment universe. Companies rated "CCC" or "B" on the overall MSCI rating (from "E" to "A") can reintegrate into the Sub-Fund's investment universe if START rating is C or above.

Prior to reducing the investment universe as described above, the equities and/or corporate bond investment universes, as applicable, are re-weighted in order to eliminate any bias that could lead to significant differences between the composition of the indices making up these universes and that of the Sub-Fund's portfolio. Each issuer is re-weighted according to the fund's historical weightings by sector, region (emerging markets/developed markets), and market capitalization (small/mid/large) allowing for a +/-5% margin for each separate characteristic. The weights used are calculated annually, however the constituents of the universe and the ESG data used to reduce the universe are refreshed quarterly. The re-weighting is done using the fund's historical weightings over its recommended investment horizon, considering sector, geography, and capitalization rotations

2) Active stewardship: ESG-related company engagements contributing to better awareness or improvement in companies' sustainability policies are measured by following indicators: (a) level of active engagement and voting policies, (b) number of engagements, (c) rate of voting and (d) participation at shareholder and bondholder meetings.

How were the indicators for adverse impacts on sustainability factors taken into account?

The Principal Adverse Indicators are monitored on a quarterly basis. Outlier adverse impacts are identified for degree of severity. After discussion with the investment team an action plan is established including a timeline for execution. Company dialogue is usually the preferred course of action to influence the company's mitigation of adverse impacts, in which case the company engagement is included in the quarterly engagement plan according to the Carmignac Shareholder Engagement policy. Disinvestment may be considered with a predetermined exit strategy within the confines of this aforementioned policy.

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.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Carmignac applied a controversy screening process on OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights for all its investments across all Sub-funds.

Carmignac acted in accordance with the United Nations Global Compact (UNGC) principles, the United Nations Guiding Principles on Business and Human Rights (UNGP), the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the Organisation for Economic Co-operation and Development (OECD) guidelines for multinational enterprises to assess companies' norms, including but not limited to human rights abuses, labour laws and standard climate related practices.

This Sub-Fund applied a controversy screening process for all of its investments. Companies that have committed significant controversies against the environment, human rights and international labour laws to name the key infractions are excluded. This screening process bases the identification of controversies on the OECD Business Guidelines and UN Global compact principles and is commonly called norms-based screening, integrating a restrictive screening monitored and measured through Carmignac's proprietary ESG system START. A company controversy scoring and research is applied using data extracted from ISS ESG as the research data base.



The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

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

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

Carmignac has committed to apply the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 14 mandatory and 2 optional environmental and social indicators will be monitored to show the impact of such sustainable investments against these indicators: Greenhouse gas emissions, Carbon footprint, GHG intensity (investee companies), Exposure to companies in fossil fuel sector, Non-renewable energy consumption and production, Energy consumption intensity per high-impact climate sector, Activities negatively affecting biodiversity-sensitive areas, Emissions to water, Hazardous waste ratio, Water usage and recycling, Violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises, Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, Unadjusted gender pay gap, Board gender diversity, Exposure to controversial weapons, Excessive CEO pay ratio. In addition and where applicable, sovereign bond indicators: social violence and GHG intensity can also be monitored.

As part of its PAI strategy, Carmignac identifies companies that underperform the benchmark in terms of PAI Indicators. Our third party data provider, MSCI enables us to monitor the impact of our funds for each PAI.



The PAI values of the fund are compared to the values of the benchmark. When the fund PAI underperforms the benchmark PAI by a certain threshold, we look for the issuers that are the main contributors to the underperformance of the given PAI. Those companies are considered outliers.

Identifying outliers for each PAI indicator enables us to engage with companies in order to ensure they are committed to reducing their impact. Carmignac conducted an assessment of the risks associated with the identified PAI outliers of Carmignac Portfolio Asia Discovery and, as a result of this assessment, the risks associated with the PAI outliers were determined to be of low risk and not material enough for action to be taken.

Asset allocation describes the share of investments in specific assets.

What were the top investments of this financial product?

Please find below the average top investments based on 12 month end data for 2024, for the equity section of the portfolio :

Largest investments	Sector	% Assets	Country
MAX HEALTHCARE INSTITUTE LTD	Health Care	3.53%	India
PB FINTECH LTD	Financials	3.43%	India
FPT CORP	Information Technology	2.76%	Vietnam
KASPI.KZ JSC	Financials	2.67%	Kazakhstan
ASIA COMMERCIAL BANK JSC	Financials	2.61%	Vietnam
SAPPHIRE FOODS INDIA LTD	Consumer Discretionary	2.59%	India
CISARUA MOUNTAIN DAIRY PT TBK	Consumer Staples	2.53%	Indonesia
ALUPAR INVESTIMENTO SA-UNIT	Utilities	2.44%	Brazil
LUNDIN MINING	Materials	2.28%	Chile
ENTERO HEALTHCARE SOLUTIONS LTD	Health Care	2.27%	India
BIM BIRLESIK MAGAZALAR AS	Consumer Staples	2.22%	Turkey
SOULBRAIN CO LTD	Materials	2.20%	South Korea
JUNIPER HOTELS LTD	Consumer Discretionary	2.17%	India
BBB FOODS INC	Consumer Staples	2.06%	Mexico
JYOTI CNC AUTOMATION LTD	Industrials	2.03%	India

Source: Carmignac, 31.12.2024

What was the proportion of sustainability-related investments?

In 2024, the Sub-Fund had 66% of the portfolio's net assets invested in sustainable investments as per our definition above mentioned, on average, based on 4 quarters ends data.

What was the asset allocation?

A minimum proportion of 90% of the investments of this Sub-Fund is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy. In 2024, 94.5% of issuers have been covered by ESG analysis thus 94.5% of issuers were aligned with these E/S characteristics, on average, based on 4 quarters ends data.

The Sub-Fund makes sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets are invested in shares of companies that are considered aligned with relevant United Nations Sustainable Development Goals ("the SDGs"), aforementioned. In 2024, this positive screening has been applied and 66% of the Sub-Fund's net assets were invested in shares of companies positively aligned with the United Nations Sustainable Development Goals, on average, based on 4 quarters ends data.

In addition, the minimum levels of sustainable investments with environmental and social objectives were respectively 5% and 15% of the Sub-Fund's net assets. In 2024, 27.2% of the Sub-Fund's net

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:

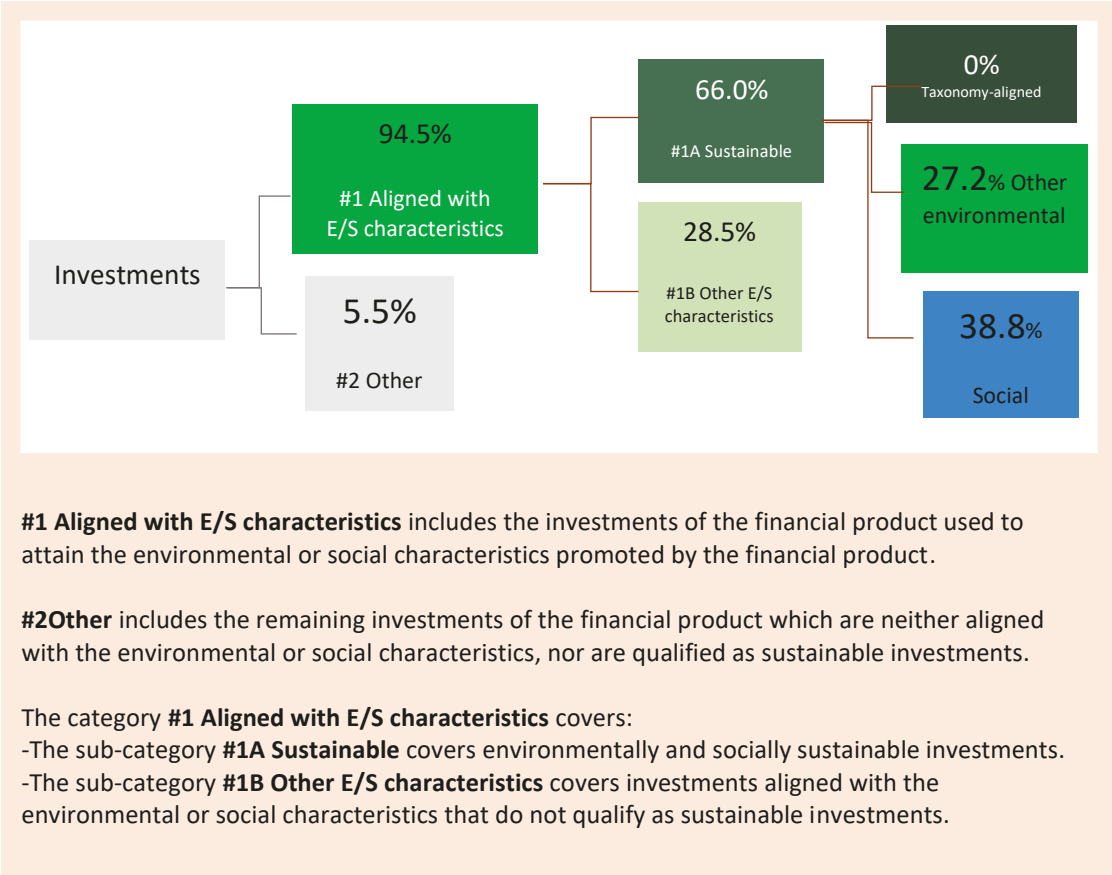
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

assets were invested in sustainable investments with environmental objectives, and 38.8% in sustainable investment with social objectives, on average, based on 4 quarters ends .

The #2 Other investment (in addition to cash and derivatives which may be used for hedging purposes, if applicable) were equity, corporate bonds or sovereign bonds investments which were not classified as sustainable investment. They were investments made strictly in accordance with the Sub-Fund's investment strategy and had the purpose of implementing the Sub-Fund's investment strategy. All such investments were made subject to ESG analysis (including through our ESG proprietary sovereign model for sovereign bonds) and for equity and corporate bonds were subject to a screening of minimum safeguards to ensure that their business activities were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. These instruments were not used to achieve the environmental or social characteristics promoted by the Sub-Fund.



● *In which economic sectors were the investments made?*

Please find below the average top sectors based on 12 month end data for 2024 for the equity section of the portfolio :

Largest economic sectors	% Assets
Industrials	17.36%
Financials	16.11%
Consumer Discretionary	16.10%
Information Technology	16.01%
Consumer Staples	9.92%
Health Care	8.94%
Real Estate	5.79%
Materials	5.78%
Utilities	2.57%
Telecommunication Services	0.71%
Energy Equipment & Services	0.35%
Energy Oil, Gas & Consumable Fuels	0.35%

The remainder of the portfolio comprises derivatives, which have an exposure of 0.01%.

Source: Carmignac, 31.12.2024



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

In 2024, 0% of the sustainable investments with an environmental objective were aligned with the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

☐

Yes:

☐

In fossil gas

☐

In nuclear energy

☒

No:

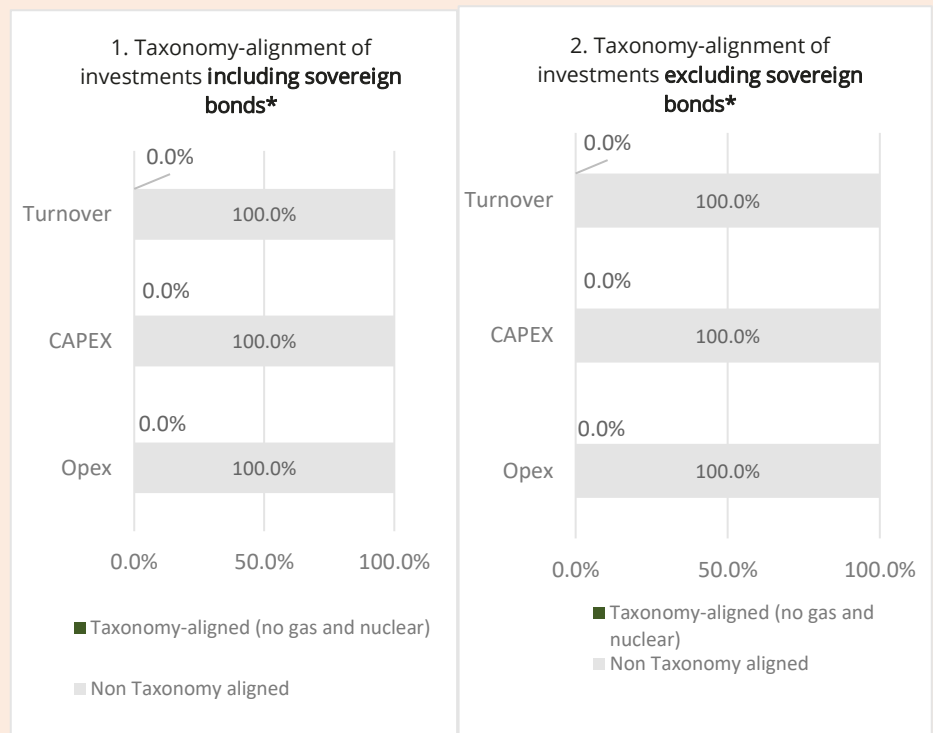
¹ Fossil gas and / or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and de not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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

Taxonomy-aligned activities are expressed as a share of:

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

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.*



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

- What was the share of investments made in transitional and enabling activities?**

Not Applicable
- How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

In 2023, 3.76% of the sustainable investments with an environmental objective were aligned with the EU Taxonomy.
-  **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

In 2024, 27.2% of the Sub-Fund’s net assets were invested in sustainable investments with environmental objectives not aligned with the EU Taxonomy, on average, based on 4 quarters ends data .
-  **What was the share of socially sustainable investments?**

In 2024, 38.8% of the Sub-Fund’s net assets were invested in sustainable investments with social objectives, on average, based on 4 quarters ends data .



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include unlisted securities or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the sub-fund. Cash (and cash equivalent), as well as derivatives (used either for hedging purposes) are also included under “#2 Other”.

At issuer level (for equities and corporate bonds), non sustainable assets are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy (“norms-based”) screening. The investments are subject to a screening of minimum safeguards to ensure that their business activities are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Environmental, social and governance considerations were integrated in synthetic instruments through the derivatives framework detailed below. The approach depended on the type of derivatives instrument used by the Sub-Fund: single name derivatives or index derivatives.

Single name derivatives

The Sub-Fund may enter into derivatives with a short exposure to a single underlying security (“single name”) only for hedging purposes, i.e. covering the long exposure on that same company or issuer. Net short positions, i.e. situations where the short exposure on the underlying company or issuer is greater than the long exposure of the Sub-Fund on that same company or issuer, are prohibited. The use of short derivatives for purposes other than hedging is prohibited.

Derivatives with a long exposure to a single underlying company or issuer are subject to the same ESG integration policy as physical long equity and/or corporate debt positions, as applicable. These instruments must satisfy the same ESG integration and criteria, as described in this annex.

Index derivatives

Index derivatives, whether with a long or short exposure, may go through additional checks to ensure they are suitable for the Sub-Fund, depending on their purpose.

- Hedging and efficient portfolio management purposes: index derivatives purchased for hedging purposes are not analysed for ESG purposes.
- Exposure purposes: an index derivatives may be purchased by the Sub-Fund for exposure to the extent it meets the following characteristics, if it is to be held for more than one month:
 - Concentrated index (5 or less components in the underlying index): The index must not have any of its components in the Sub-Fund’s exclusion list.
 - Broad-based index (more than 5 components): the index must be composed in significant majority (>80% in exposure) of companies that are not in the Sub-Fund’s exclusion list.

In addition, the weighted average ESG rating of the index must be above BBB (MSCI) or C (START), and the ESG coverage of the index (either MSCI or START) must be greater than 90%. The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes. The Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

100% of equity assets apply negative sectorial and norms-based screens and exclusions ensuring minimum environment and social safeguards.

In 2024, no derivatives were used to meet the Environmental and/or Social characteristics of the Sub-fund.

In addition, the do no significant harm, exclusionary process and adverse impacts are monitored for all the Sub-funds' assets.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The below listed actions were conducted at Carmignac in 2024 in order to support our overall investment process in meeting environmental /social characteristics :

ESG Integration

In 2024, we introduced a new framework, for selected funds only, to meet the objectives of the Paris Agreement. Portfolio climate targets have been set to reduce greenhouse gas emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. The baseline year for the portfolio climate targets is 2018.

In 2024, we also improved our universe reduction process by reweighting each issuer in the initial universe of the fund. The investment universe is reweighted to eliminate market capitalisation, geographical and sectoral biases which could lead to significant differences between the composition of these indices and that of the Sub-Fund's portfolio.

In 2024, we also formalised our ESG integration process for CLO ("collateralised loan obligation") instruments. ESG analysis is performed for a significant portion of new CLO instruments. Adhoc analysis of the environmental and/or social characteristics of the eligible securitisation vehicles is carried out by the portfolio manager. Funds using this framework cannot invest in the worst scoring instruments.

We have developed and launched a holistic approach to evaluating sustainable bonds which include Use-of Proceeds (green, social, sustainability) and sustainability-linked bonds. These bonds are no longer considered sustainable investments by default, but must rather be analysed on a look through basis using specific criteria.

We established a new framework to integrate ESG analysis into derivative exposures across all our funds. The underlying issuers of single name derivatives as well as index derivatives which are held for exposure purposes are now subject to ESG analysis. Single name derivatives held for exposure purposes are now being held to the same ESG integration criteria as long positions. Additionally, ESG integration criteria have been developed as described in the above document for index derivatives. Derivatives held for hedging or efficient portfolio management purposes can still be held in the portfolio without undergoing ESG analysis. The policy has been developed and implemented by the Sustainable Investment Specialists team, and is overseen by the firm's Risk function.

Throughout 2024 we enhanced our ESG sovereign model to incorporate additional E/S/G KPIs into our analysis. This new model is expected to be launched by Q1 2025.

Transparency

We have continued to provide comprehensive information as to our ESG approach, policies and reports on the Carmignac website: https://www.carmignac.fr/en_GB/sustainable-investment/overview

In our 2024 TCFD report, we introduced a climate Value at Risk (VAR) disclosure to our reporting. The climate VAR disclosure quantifies the economic value that would potentially be at risk under different climate scenarios. The climate VAR disclosure is available as part of our more comprehensive TCFD report and can be accessed at https://carmidoc.carmignac.com/SRICA_FR_en.pdf

Carmignac recognises that it is as important to 'walk the talk' as it is to 'talk the talk'; which is why we published our Corporate Social Responsibility (CSR) policy in 2024.. Our CSR approach is based upon 5

key pillars: our operational environmental footprint, fostering an engaged workforce and inclusive environment, our societal commitment, our commitment to the arts via the Carmignac Foundation and our responsible business conduct. Our CSR policy can be accessed at https://carmidoc.carmignac.com/CSR_FR_en.pdf

In 2024, we also revamped our exclusion policy to further increase transparency for our investors. The policy now includes the rationale behind each exclusion, the revenue threshold used for these exclusions as well as a table detailing the funds in scope per exclusion criteria. In addition, we have enhanced the policy to further clarify our integration of UN Guiding Principles on Business and Human Rights into our controversies monitoring processes. Our exclusion policy can be accessed at https://carmidoc.carmignac.com/SRIEXP_FR_en.pdf.

Stewardship

100% Voting Target: in 2024 we succeeded in participating in 98.15% (95% in 2023) of all possible annual general meeting votes at Carmignac level.

Stewardship code: We were once again approved by the FRC as a signatory of the Stewardship Code by complying with all principles, as formalised in our annual Stewardship Report: https://carmidoc.carmignac.com/SWR_FR_en.pdf

Regulatory Consultations: We have taken part in industry roundtables on ESG issues facing our industry, products and the sector as a whole, and additionally contributed to consultations and discussions prompted by our regulators, including at EU level, the UK's FCA and France's AMF either directly, or through our fund associations working groups such as AI UK, Alfi Luxembourg and AFG, France.

Carmignac sees value in both direct and collaborative engagement, and it is the combination of both which leads to the most influential and effective stewardship. It is by joining forces that investors can most effectively influence investee companies on material ESG issues, including market-wide and systemic risks, and ultimately help improve the functioning of markets. With this in mind, we have increased our involvement with Climate 100+, in particular for the collective engagement with Pemex as bondholder of the company. In 2024, we joined collaborative engagements initiative with Nature 100+, on biodiversity topics. We also joined the WBA collective impact coalition on ethical AI.

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

In 2024, We conducted 70 engagements with 54 companies and 1 sovereign entity on ESG specific topics at Carmignac level, and with 3 companies in this particular Sub-Fund as Accor described below.

In 2024, we continued to engage with the company as part of the collaborative engagement CA100+. Climate Action 100+ is an investor-led initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. The company has made progress since we began conversations with them. They have targets to have 100% renewable energy by 2027 and Net Zero scope 1+2 for DX division by 2030. They confirmed that their progress on scope 1 and 3 targets is on track. The company still has not committed to setting Science Based Targets, but they are open to investor feedback on this and said they will consider this. The company has yet to set scope 3

emission reduction targets, it is behind on their peers, however, they have improved calculation of their scope 3 emissions and they are working extensively on supplier education. We will continue conversation with the company on a regular basis as part of this collaborative engagement.



How did this financial product perform compared to the reference benchmark?

Not Applicable

● ***How does the reference benchmark differ from a broad market index?***

Not Applicable

● ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not Applicable

● ***How did this financial product perform compared with the reference benchmark?***

Not Applicable

● ***How did this financial product perform compared with the broad market index?***

Not Applicable

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