

# ANNUAL REPORT

OF THE FRENCH MUTUAL FUND (FCP)  
(FONDS COMMUN DE PLACEMENT)  
CARMIGNAC INVESTISSEMENT LATITUDE

(For the period ended  
30 December 2022)

The fund rules, the prospectus for Switzerland, the Key Information Documents, the annual and semi-annual reports for Switzerland and the list of purchases and sales carried out on behalf of the fund during the financial year may be obtained free of charge from the Representative Agent in Switzerland CACEIS (Switzerland) SA, Route de Signy 35, 1260 Nyon, Switzerland and from Carmignac Gestion. The Swiss Paying Agent is CACEIS Bank, Montrouge, succursale de Nyon / Suisse, Route de Signy 35, CH-1260 Nyon.

## Contents

Statutory Auditor's Certification	3
Features of the fund	8
Investment policy	26
Regulatory information	31

**Statutory Auditor’s Certification**



**STATUTORY AUDITOR'S REPORT  
ON THE ANNUAL FINANCIAL STATEMENTS  
Financial year ended 30 December 2022**

**CARMIGNAC INVESTISSEMENT LATITUDE**  
UCITS IN THE FORM OF A FEEDER FRENCH MUTUAL FUND (FCP)  
Governed by the French Monetary and Financial Code

Management company  
CARMIGNAC GESTION  
24, place Vendôme  
75001 PARIS

**Opinion**

In accordance with the assignment entrusted to us by the management company, we have audited the annual financial statements of CARMIGNAC INVESTISSEMENT, a UCITS constituted in the form of a feeder French mutual fund (FCP), for the financial year ended 30 December 2022, as they are appended to this report.

In our opinion, the annual financial statements give, in accordance with French accounting rules and principles, a true and fair view of the financial position and assets and liabilities of the feeder fund and of the results of its operations at the end of the financial year.

**Basis for our opinion**

***Audit framework***

We conducted our audit in accordance with the professional auditing standards applicable in France. We believe that the evidence gathered is pertinent and sufficient to serve as a basis for our opinion. Our responsibilities in light of these standards are described in this report in the section entitled "Responsibilities of the statutory auditor in relation to auditing the annual financial statements".

***Independence***

We carried out our audit in accordance with the independence rules set out in the French Commercial Code and the Code of Ethics for Statutory Auditors, for the period from 1 January 2022 to the date on which our report was issued.

---

*PricewaterhouseCoopers Audit, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex  
T: +33 (0) 1 56 57 58 59, F: +33 (0) 1 56 57 58 60, [www.pwc.fr](http://www.pwc.fr)*

Accounting firm registered with the Order of Paris – Ile de France. Auditing firm, member of the Compagnie Régionale de Versailles A simplified joint stock company with a capital of €2,510,460. Registered office: 63, rue de Villiers 92200 Neuilly-sur-Seine. RCS Nanterre 672 006 483. VAT no. FR 76 672 006 483. Siret 672 006 483 00362. APE code 6920 Z. Offices: Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Nice, Paris, Poitiers, Rennes, Rouen, Strasbourg, Toulouse.



## CARMIGNAC INVESTISSEMENT LATITUDE

### **Justification of the evaluations**

In accordance with the provisions of Articles L.823-9 and R.823-7 of the French Commercial Code in relation to the justification of our evaluations, we wish to highlight that the evaluations which, in our professional opinion, were the most significant in our audit of the annual financial statements, concerned the appropriateness of the accounting principles applied and the reasonableness of the significant estimates made and the overall presentation of the financial statements.

The evaluations were made in the context of the audit of the annual financial statements, taken as a whole, and the formation of the opinion expressed herein. We offer no opinion on parts of these annual financial statements taken in isolation.

### **Specific verifications**

We have also carried out the specific verifications required by laws and regulations in accordance with the professional auditing standards applicable in France.

We have no comment as to the fair presentation and conformity with the annual financial statements of the information given in the management report drawn up by the management company.

---

*PricewaterhouseCoopers Audit, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex  
T: +33 (0) 1 56 57 58 59, F: +33 (0) 1 56 57 58 60, [www.pwc.fr](http://www.pwc.fr)*

Accounting firm registered with the Order of Paris – Ile de France. Auditing firm, member of the Compagnie Régionale de Versailles A simplified joint stock company with a capital of €2,510,460. Registered office: 63, rue de Villiers 92200 Neuilly-sur-Seine. RCS Nanterre 672 006 483. VAT no. FR 76 672 006 483. Siret 672 006 483 00362. APE code 6920 Z. Offices: Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Nice, Paris, Poitiers, Rennes, Rouen, Strasbourg, Toulouse.



## **Responsibilities of the management company regarding the annual financial statements**

The management company is required to prepare annual financial statements that present a true and fair image, in accordance with French accounting rules and principles, and to establish the internal control measures that it deems necessary for producing annual financial statements free of material misstatement, whether due to fraud or error.

When producing the annual financial statements, it is incumbent on the management company to assess the ability of the fund to continue operating, and where appropriate to include the necessary information on business continuity, and apply the going concern accounting policy unless there are plans to liquidate the fund or cease trading.

The annual financial statements were prepared by the management company.

## **Responsibilities of the statutory auditor when auditing the annual financial statements**

### ***Audit objective and approach***

We are required to produce a report on the annual financial statements. Our aim is to gain reasonable assurance that the annual financial statements taken as a whole are free of material misstatement. Reasonable assurance means a high level of assurance, albeit without any guarantee, that an audit carried out in accordance with industry standards could systematically detect every material misstatement. Misstatements may arise from fraud or error, and are considered to be material when one could reasonably expect them, either individually or cumulatively, to influence the financial decisions that readers make as a result.

As stipulated in Article L.823-10-1 of the French Commercial Code, our role as auditors is not to guarantee the viability or quality of management of the fund.

A statutory auditor exercises its professional judgement throughout any audit performed in accordance with professional standards applicable in France. Furthermore:

- It identifies and evaluates the risk that the annual financial statements may include material misstatement, whether resulting from fraud or error, defines and implements auditing procedures in response to these risks, and gathers the items it deems sufficient and appropriate as a basis for its opinion. The risk of material misstatement not being detected is considerably higher when it is the result of fraud rather than error, since fraud may involve collusion, falsification, voluntary omissions, false declarations or the circumvention of the internal control system;

---

*PricewaterhouseCoopers Audit, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex  
T: +33 (0) 1 56 57 58 59, F: +33 (0) 1 56 57 58 60, [www.pwc.fr](http://www.pwc.fr)*

- It assesses the internal control system that is relevant for the audit in order to define audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the internal control system;
- It evaluates the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by the management company, as well as the related information in the annual financial statements;
- It evaluates the appropriateness of the management company's application of the going concern accounting principle and, based on the information gathered, the existence or absence of significant uncertainty linked to events or circumstances likely to cast doubt on the fund's ability to continue its operations. This evaluation is based on the information gathered prior to the date of its report; however, it should be noted that subsequent circumstances or events may cast doubt on the continuity of its operations. If it concludes that there is a material uncertainty, it draws readers' attention to the information provided in the annual financial statements regarding this uncertainty, or if such information is not provided or not relevant, it certifies the accounts with reservations, or refuses to certify them;
- It assesses the presentation of all of the annual financial statements and evaluates whether or not the annual financial statements depict the underlying operations and events fairly.

Neuilly sur Seine, date of electronic signature

*Document authenticated by electronic signature*  
The statutory auditor PricewaterhouseCoopers Audit  
Frédéric SELLAM

A handwritten signature in blue ink, appearing to be 'Frédéric SELLAM', written over a horizontal line.

2023.04.13 18:09:02 +0200

# CARMIGNAC INVESTISSEMENT LATITUDE 2022 ANNUAL REPORT

## Main features of the Fund

### Allocation of distributable income

Distributable income	“Acc” units
Allocation of net income	Accumulation (dividends are recorded on an accruals basis)
Allocation of net realised capital gains or losses	Accumulation (dividends are recorded on an accruals basis)

### Countries in which the Fund is authorised for distribution

A EUR Acc units: Belgium, Switzerland, Germany, France, United Kingdom, Italy, Luxembourg and Singapore.  
F EUR Acc units: Switzerland, France and Singapore

### Investment objective

Carmignac Investissement Latitude is a feeder fund of the Carmignac Investissement master fund, the objective of which is to outperform its reference indicator over a recommended investment horizon of five years, investing in a socially responsible, sustainable manner to generate long-term growth. Details of how we apply a socially responsible investment approach are set out in the “Extra-financial characteristics” section below and available at [www.carmignac.com](http://www.carmignac.com) and [https://www.carmignac.fr/fr\\_FR/nous-connaître/investissement-socialement-responsable-isr-1252](https://www.carmignac.fr/fr_FR/nous-connaître/investissement-socialement-responsable-isr-1252).

Although it is largely invested in its master fund, the fund benefits from significant flexibility and responsiveness by trading on futures markets to mitigate or avoid the risks to which the master fund is exposed if the markets concerned may be expected to perform badly (only for the purposes of hedging against the risks of the master fund, particularly equity risk and currency risk). Carmignac Investissement Latitude’s performance may bear little correlation with that of its master fund.

### Reference indicator

The reference indicator is composed of the following indices:

- 50% MSCI AC WORLD NR (USD) (the MSCI global international equities index) and
- 50% compounded €STR.

The indicator is rebalanced each quarter.

The MSCI AC WORLD NR (USD) is converted into EUR for the units in EUR.

The MSCI AC WORLD NR (USD) index represents the largest international companies in developed and emerging countries. It is calculated by MSCI in US dollars, with net dividends reinvested, then converted into euro. (Bloomberg code: NDUEACWF).



The €STER is an interbank interest rate benchmark. In accordance with the methodology used by the European Central Bank (ECB), it is published at 8.00 am, on the basis of transactions made the day before, from Monday to Friday excluding public holidays. The €STER is based on unsecured overnight interest rates for lending between banks. These interest rates are obtained directly by the ECB as part of the collection of statistical data on the money market. (Bloomberg code: ESTRON).

This fund is actively managed. An actively managed fund is a fund where the investment manager has discretion over the composition of its portfolio, subject to the stated objectives and investment policy. The fund's investment universe is totally independent from the indicator, the individual constituents of which are not necessarily representative of the assets invested in by the fund. The fund's investment strategy is not dependent on the reference indicator. Therefore, the fund's holdings and the weightings may substantially deviate from the composition of the indicator. There is no limit set on the level of such deviation.

MSCI, the provider of the index that makes up the reference indicator used, has not been entered in the register of administrators and benchmarks kept by ESMA since 1 January 2021, although this has no effect on the Fund's use of the reference indicator, in accordance with ESMA position 80-187-610. For any additional information on the MSCI AC WORLD NR (USD) index, please refer to the company's website: <https://www.msci.com>.

The management company may replace the reference indicator if one or more of the indices that make up this reference indicator undergo substantial modifications or cease to be published.

## Investment strategy

### STRATEGIES USED

Carmignac Investissement Latitude is a feeder fund which always has at least 85% or more of its net assets invested in A EUR Acc units (ISIN FR0010148981) of the Carmignac Investissement fund. Up to a maximum of 15% of its net assets may be invested on an ancillary basis in cash and/or financial contracts, for hedging purposes only.

To achieve the investment objective, the portfolio manager can reduce the master fund's exposures by implementing his or her strategy through futures instruments (derivatives) on equity, foreign exchange, fixed income, volatility and credit markets.

The fund trades on all Eurozone and international markets, including emerging, regulated, organised and over-the-counter markets.

The feeder fund's global equity market exposure may vary from 0% to 100% of the master fund's equity exposure.

The fund may vary its foreign exchange market exposure within the limit of 125% of the net assets.

The fund adopts a Global-Macro and Cross Assets approach, and benefits from flexible, active management. The asset allocation may differ substantially from that of its reference indicator and the risk levels may differ significantly from those of the master fund.

Regarding interest rate products and instruments, the overall modified duration of the feeder and master funds, defined as the change in portfolio capital (as %) for a change in interest rates of 100 basis points, may vary between -4 and +5.

## Extra-financial characteristics

### TYPE OF APPROACH

The fund is classed as a financial product with sustainable investment as its objective, as described in Article 9 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR"). As a feeder fund, its investment objective is to constantly invest at least 85% of its net assets in a master fund (Carmignac Investissement) that has sustainable investment as its objective within the meaning of Article 9 of the SFDR.

For more details on the sustainable investment objective of the master fund, please refer to the section below: “SUMMARY OF THE MASTER FUND’S INVESTMENT STRATEGY: CARMIGNAC INVESTISSEMENT”, and in particular to the sub-section “Extra-financial characteristics”.

#### **DO NO SIGNIFICANT HARM**

The fund refrains from investing in companies whose activities could do significant harm to its sustainable investment objective. To that end, all investments are assessed to ensure compliance with worldwide standards on environmental protection, human rights, employment practices and anti-corruption measures. For more information, please refer to the exclusion policy available in the “Responsible Investment” section of our website [www.carmignac.com](http://www.carmignac.com).

#### **PRINCIPAL ADVERSE IMPACTS**

The management company takes into account the principal adverse impacts on sustainability factors described in Annex 1 of the final draft regulatory technical standards (“RTS”) in relation to the SFDR. To that end, the management company uses third-party data suppliers in order to obtain adequate sustainability factors, derived from the raw data provided by issuers. These adverse impacts are taken into account in investment decisions and may trigger specific engagement with the company in which the fund is invested, to determine how the company is mitigating adverse impacts.

#### **WARNING ON THE LIMITATIONS OF THE APPROACH**

The fund’s sustainability risk may differ from that of the reference indicator.

#### **EXTRA-FINANCIAL ANALYSIS COVERAGE RATE**

Extra-financial analysis is applied to at least 90% of the net assets, with the exception of cash held on an ancillary basis in accordance with Article L214-22 of the French Monetary and Financial Code.

#### **CHOICE OF REFERENCE INDICATOR**

The fund has chosen its reference indicator (as described above in the “Reference Indicator” section) as a benchmark. The reference indicator is a general market index used to compare the fund’s sustainability performance with that of the reference indicator. The results are published each month in the Responsible Investment section of the Carmignac website. The description, method and composition of the reference indicator can be found in the Reference Indicator section above.

#### **TAXONOMY**

With regards to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (referred to as the “Taxonomy Regulation”), the fund’s investments make a contribution to the following environmental objectives: climate change mitigation and adaptation.

The fund also invests in companies making a positive contribution to the Sustainable Development Goals described above.

The revenues of companies in which the fund invests are analysed as a key performance indicator to assess whether their activities are eligible for the Taxonomy Regulation. These companies are subject to an analysis of the minimum guarantees 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. In addition, the fund ensures that these activities do no significant harm to the environmental objectives.

The fund assesses whether a business activity makes a substantial contribution to climate change adaptation or to climate change mitigation when the issuing companies make the technical screening criteria or data necessary for this assessment available, or when these are not required. If these technical screening criteria are required but not yet made available by the issuing companies, the fund will not be able to properly carry out this assessment. In this case, the fund nevertheless undertakes an analysis of the minimum guarantees and ensures no significant harm is done to the environmental objectives.

The proportion of the fund's investments that contribute to the two environmental objectives mentioned above is currently low. The fund anticipates an increase in the proportion of investments aligned with the Taxonomy Regulation once it is in a position to identify more companies with business activities aligned with the environmental objectives defined in the Taxonomy Regulation, as companies make the technical screening criteria and data necessary for this analysis available to the fund.

## **Description of asset categories and financial contracts as well as their contribution to the investment objective being achieved**

### **EQUITIES**

None.

### **CURRENCIES**

Net exposure to currencies other than the fund's valuation currency, including emerging market currencies, generated through derivatives, may reach 125% of the net assets and may differ from that of the reference indicator and/or master fund.

The fund uses them for hedging purposes.

### **DEBT SECURITIES AND MONEY MARKET INSTRUMENTS**

None.

### **CASH BORROWING**

The fund may borrow cash, in particular to cover investment/disinvestments and subscriptions/redemptions. As the fund is not intended to be a structural borrower of cash, these loans will be temporary and limited to 10% of the fund's net assets.

### **DERIVATIVES**

In order to achieve its investment objective, the fund will invest in futures traded on Eurozone and international – including emerging – regulated, organised or over-the-counter markets for hedging purposes.

The derivatives that may be used by the portfolio manager include options (vanilla, barrier, binary), futures, forwards, forward exchange contracts, swaps (including performance swaps), swaptions and CFDs (contracts for difference), involving one or more risks/underlying instruments in which the portfolio manager may invest.

These derivatives allow the portfolio manager to hedge the fund against the following risks, while respecting the portfolio's overall constraints:

- Equities,
- Currencies up to 125% of the net assets,
- Fixed income,
- Credit,
- Dividends,
- Volatility and variance (up to 10% of the net assets),
- Commodities through eligible financial contracts for up to 20% of the net assets,
- ETFs (financial instruments).

#### **STRATEGY FOR USING DERIVATIVES TO ACHIEVE THE INVESTMENT OBJECTIVE**

Derivatives on equities, equity indices and baskets of equities or equity indices are used to hedge exposure to an issuer, group of issuers, economic sector or region, or to simply adjust the fund's overall exposure to equity markets.

Currency derivatives are used to hedge exposure to a currency, or to simply adjust the fund's overall exposure to currency risk. The fund also holds forward exchange contracts traded over-the-counter to hedge against currency risk on hedged units denominated in currencies other than the euro.

Interest rate volatility or variance, dividend and commodity derivative instruments are used to hedge the risks of the master fund.

Overall exposure to derivatives is controlled by combining leverage, defined as the sum of gross nominal amounts of derivatives without netting or hedging, with the fund's VaR limit (cf. section VI. "Overall risk").

Derivative transactions may be concluded with counterparties selected by the management company in accordance with its "Best Execution/Best Selection" policy and the approval procedure for new counterparties. The latter are major French or international counterparties, such as credit institutions, and collateral is required. It should be noted that these counterparties have no discretionary decision-making powers over the composition or management of the fund's portfolio or over the underlying assets of financial derivative instruments.

#### **SECURITIES WITH EMBEDDED DERIVATIVES**

None.

#### **UCIS AND OTHER INVESTMENT FUNDS**

Excluding the master fund, the fund does not hold positions in any other fund.

### ***Investment strategy of the master fund: Carmignac Investissement***

#### **STRATEGIES USED**

*At least 60% of the fund's net assets are permanently exposed to Eurozone, international and emerging market equities of all capitalisations, listed on financial markets all over the world.*

*The fund is free to vary its foreign exchange market exposure within the limit of 125% of the net assets.*

*The investment strategy is mainly followed through a portfolio of direct investments in securities and derivatives on equity markets, and to a lesser extent on foreign exchange, fixed income, credit markets and commodity indices, without restriction in terms of allocation by region, sector, type or size of security.*

*As the fund is actively managed its asset allocation may differ substantially from that of its reference indicator. The investment policy spreads risk by diversifying investments. Likewise, the portfolio established on the basis of detailed financial analysis may vary considerably from the weightings of the reference indicator in terms of geographic regions and sectors.*

*Where necessary, the allocation of the portfolio between the different asset classes (equities, fixed income, currencies, etc.) and fund categories (equities, mixed, bonds, money market, etc.) may vary according to the portfolio manager's expectations.*

*Equity strategy:*

*The equity strategy is determined on the basis of a macroeconomic analysis and a detailed financial analysis of the companies on which the fund may open positions, whether long or short. This determines the fund's overall level of equity exposure. The fund invests on all international markets.*

*These investments are determined by:*

- the selection of securities, which results from an in-depth financial analysis of the company, regular meetings with the management, and close monitoring of business developments. The main criteria used are growth prospects, quality of management, yield and asset value;*
- allocating equity exposure to different economic sectors;*
- allocating equity exposure to different regions.*

*Foreign exchange strategy:*

*The portfolio manager's decisions regarding exposure to the foreign exchange market are made on the basis of a global macroeconomic analysis, in particular of the outlook for growth, inflation and monetary and fiscal policy of the different economic zones and countries. This determines the fund's overall level of exposure to each currency. The fund invests on all international markets.*

*These investments on the foreign exchange market, which depend on expectations of changes in different currencies, are determined by:*

- the currency allocation between the various regions through exposure generated by real securities denominated in foreign currencies;*
- the currency allocation between the various regions directly through currency derivatives.*

*Fixed income strategy:*

*Investments on fixed income markets are chosen on the basis of expected international macroeconomic scenarios and an analysis of the various central banks' monetary policies. This determines the fund's overall modified duration. The fund invests on all international markets.*

*These investments on fixed income markets are determined by:*

- the allocation of modified duration between the different fixed income markets;*
- the allocation of modified duration between the different segments of the yield curve.*

*Credit strategy:*

*Investments on credit markets are chosen on the basis of expected international macroeconomic scenarios and financial research into issuers' solvency. This determines the fund's overall level of credit exposure. The fund invests on all international markets.*

*These investments on credit markets are determined by:*

- *selecting securities on the basis of an internal analysis, itself largely based on profitability, creditworthiness, liquidity, maturity and, for distressed issuers, the prospect of recovering the investment;*
- *government/corporate debt allocation;*
- *the credit allocation to debt securities and public or private money market instruments or corporate bonds according to rating, sector, subordination.*

*For all of these strategies (excluding credit), in addition to long positions:*

- *the portfolio manager may also open short positions on underlying assets eligible for the portfolio if they feel that the market is overvaluing these underlying assets, using eligible instruments;*
- *the portfolio manager also pursues relative value strategies by combining long and short positions on underlying assets eligible for the portfolio.*

*The investment universe for all strategies includes emerging markets within the limits stipulated in the section “Description of asset categories and financial contracts as well as their contribution to the investment objective being achieved”.*

### **Extra-financial characteristics**

*The fund is classed as a financial product, as described in Article 9 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (“SFDR”), that has sustainable investment as its objective, since it invests primarily (i.e. more than 50% of the fund’s net assets) in the equities of companies that generate more than 50% of their revenue from goods and services linked to commercial activities that are positively aligned with one of the 9 (out of 17) United Nations Sustainable Development Goals (the “9 UNSDGs”) selected for this fund: (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; (12) Responsible consumption and production.*

*To find out more about the United Nations Sustainable Development Goals, please visit <https://www.un.org/sustainabledevelopment/>.*

#### **TYPE OF APPROACH**

*The fund’s approach is focussed on obtaining positive results linked to the UNSDGs.*

*The fund also applies an active voting and engagement policy to its investments. For more information, please refer to the shareholder engagement policy available in the Responsible Investment section of the Carmignac website.*

#### **IMPLEMENTATION OF EXTRA-FINANCIAL ANALYSIS IN THE INVESTMENT STRATEGY**

*Extra-financial analysis is applied to the investment strategy through the following processes, which actively reduce the fund’s investment universe by at least 20%. The investment universe is assessed with regards to the ESG risks and opportunities recorded in Carmignac’s internal proprietary research tool, START(System for Tracking and Analysis of a Responsible Trajectory).*

#### Negative screening:

- 1) Companies whose ESG ratings reflect high ESG risk are excluded from the fund's investment universe. These exclusions are based on the ESG ratings of our proprietary internal research tool, START, and the MSCI ratings for these companies: companies with an MSCI rating in the environmental or social pillars of below 1.4 and companies with an overall MSCI rating of B or CCC are excluded from the fund's investment universe. However, a company with a higher rating than C in our START platform (ratings range of A to E) may be added back into the fund's investment universe following ad hoc qualitative research and discussions with the company's management.
- 2) The fund also applies restrictive, negative screening at company level to exclude certain sectors and activities from the fund's investment universe.

Exclusions from the investment universe as a result of the negative screening implemented by the Management Company are reviewed on a quarterly basis.

#### Positive screening:

The fund seeks to invest in companies making a positive contribution to the 9 UNSDGs. Gross revenue data for companies is mapped by business activity. An investment is deemed compliant if more than 50% of the company's turnover is generated in business activities that make a positive contribution to one of the 9 UNSDGs.

To find out more about the alignment and categories of Sustainable Development Goals, please visit the website <https://www.un.org/sustainabledevelopment/>, or refer to the Responsible Investment section of the Carmignac website.

#### **EXAMPLES OF EXTRA-FINANCIAL CRITERIA (NON-EXHAUSTIVE)**

*Environmental: supply and suppliers, energy type and efficiency, water and waste management, carbon emissions data, average water consumption.*

*Social: human capital policies, protection of client data and cybersecurity. Governance: regulation, company governance, employee satisfaction, staff turnover, independence of the board of directors, directors' remuneration policy, treatment of minority shareholders, the corporate approach to accounting, tax and anti-corruption practices.*

#### **WARNING ON THE LIMITATIONS OF THE APPROACH**

The fund's sustainability risk may differ from that of the reference indicator.

#### **EXTRA-FINANCIAL ANALYSIS COVERAGE RATE**

Extra-financial analysis is applied to at least 90% of the portfolio's equity holdings, and corporate and sovereign bond issuers.

#### **CARBON EMISSIONS**

The fund aims to keep its carbon emissions 30% below those of the reference indicator, as measured by carbon intensity (tonnes of CO<sub>2</sub>e/USD million in revenue; aggregated at portfolio level (Scope 1 and 2 of the GHG Protocol)). The results are presented in the company's annual report. For more information, please refer to the climate policy available in the Responsible Investment section of the Carmignac website.

#### **PRINCIPLE: DO NO SIGNIFICANT HARM**

The fund refrains from investing in companies whose activities could do significant harm to its sustainable investment objective. To that end, all investments are assessed to ensure compliance with worldwide standards on environmental protection, human rights, employment practices and anti-corruption measures. For more information, please refer to the exclusion policy available in the Responsible Investment section of our website [www.carmignac.com](http://www.carmignac.com).

### **PRINCIPAL ADVERSE IMPACTS**

The management company takes into account the principal adverse sustainability impacts described in Annex 1 of the final draft regulatory technical standards (“RTS”) in relation to the SFDR. To that end, the management company uses third-party data suppliers in order to obtain adequate sustainability factors, derived from the raw data provided by issuers. These adverse impacts are taken into account in investment decisions and may trigger specific engagement with the company in which the fund is invested, to determine how the company is mitigating adverse impacts.

### **CHOICE OF REFERENCE INDICATOR**

The fund has chosen its reference indicator (as described above in the “Reference Indicator” section) as a benchmark. The reference indicator is a general market index representing the fund’s investment universe and environmental, social and governance characteristics. It is used to compare the fund’s sustainability performance, including carbon emissions, with that of the reference indicator. The results are published each month in the Responsible Investment section of the Carmignac website. The description, method and composition of the reference indicator can be found in the Reference Indicator section above.

### **TAXONOMY**

With regards to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (referred to as the “Taxonomy Regulation”), the fund’s investments make a contribution to the following environmental objectives: climate change mitigation and adaptation.

The fund also invests in companies making a positive contribution to the Sustainable Development Goals described above.

The revenues of companies in which the fund invests are analysed as a key performance indicator to assess whether their activities are eligible for the Taxonomy Regulation. These companies are subject to an analysis of the minimum guarantees 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. In addition, the fund ensures that these activities do no significant harm to the environmental objectives.

The fund assesses whether a business activity makes a substantial contribution to climate change adaptation or to climate change mitigation when the issuing companies make the technical screening criteria or data necessary for this assessment available. If these technical screening criteria are required but not yet made available by the issuing companies, the fund will not be able to properly carry out this assessment. In this case, the fund nevertheless undertakes an analysis of the minimum guarantees and ensures no significant harm is done to the environmental objectives.

The minimum level of Taxonomy alignment, i.e. the minimum share of investments that can be considered to contribute to the above environmental objectives, is 0% of net assets. The current level of Taxonomy alignment is 3.3% (as at 31 December 2021). The fund anticipates an increase in the proportion of investments aligned with the Taxonomy Regulation once it is in a position to identify more companies with business activities aligned with the environmental objectives defined in the Taxonomy Regulation, as companies make the technical screening criteria and data necessary for this analysis available to the fund.



## **Description of asset categories and financial contracts as well as their contribution to the investment objective being achieved**

### **EQUITIES**

At least 51% of the fund's net assets are invested in equities. Through direct security investments or derivatives, at least 60% of the fund's net assets are permanently exposed to Eurozone and/or international equity markets, with a potentially significant portion allocated to emerging countries, especially mainland China – albeit within the limit of 10%. Up to 10% of the fund's net assets may be invested in unlisted securities selected by the portfolio manager.

The fund invests in stocks of any capitalisation, from any sector and any region.

### **CURRENCIES**

The fund may use currencies other than the fund's valuation currency for exposure, hedging and relative value purposes. The fund may invest in futures and options on regulated, organised or over-the-counter markets in order to generate exposure to currencies other than its valuation currency or to hedge the fund against foreign exchange risk. The fund's net currency exposure may amount to 125% of net assets and may differ from that of its reference indicator and/or equity and bond portfolio.

### **DEBT SECURITIES AND MONEY MARKET INSTRUMENTS**

To achieve its investment objective, the fund may invest in negotiable debt securities, money market instruments and fixed or floating rate, covered or uncovered bonds, which may be linked to inflation in the Eurozone and/or international – including emerging – markets. The fund may invest in corporate or government issuers.

The portfolio's total modified duration, defined as the change in portfolio capital (as %) for a change in interest rates of 100 basis points, may vary from -4 to +5.

The weighted average rating of the debt instruments held directly by the fund or through investment in funds shall be at least investment grade according to at least one of the major rating agencies. The portfolio manager may invest in debt instruments rated below investment grade, or which are unrated. In the latter case, the company carries out its own analysis and assessment of creditworthiness.

The management company will carry out its own analysis of the risk/reward profile of the securities (return, credit rating, liquidity, maturity). As a result, the decision to buy, hold or sell a security (particularly where the rating has changed) is not solely based on the rating criteria, but also reflects an internal analysis of the credit risks and market conditions carried out by the management company.

There are no allocation restrictions between corporate and government issuers, nor on the maturity or duration of assets chosen.

### **DERIVATIVES**

In order to achieve its investment objective, the fund may invest in futures traded on Eurozone and international – including emerging – regulated, organised or over-the-counter markets for exposure, relative value or hedging purposes.

The derivatives liable to be used by the portfolio manager include options (vanilla, barrier, binary), futures, forwards, forward exchange contracts, swaps (including performance swaps), swaptions and CFDs (contracts for difference), involving one or more risks/underlying instruments (directly held securities, indices, baskets) in which the portfolio manager may invest.

*These derivatives allow the portfolio manager to expose the fund to the following risks, while respecting the portfolio's overall constraints:*

- *Equities (up to 100% of the net assets),*
- *Currencies,*
- *Fixed income,*
- *Dividends,*
- *Volatility and variance (up to 10% of the net assets),*
- *Commodities through eligible financial contracts for up to 20% of the net assets,*
- *ETFs (financial instruments).*

#### **STRATEGY FOR USING DERIVATIVES TO ACHIEVE THE INVESTMENT OBJECTIVE**

*Derivatives of equities, equity indices and baskets of equities or equity indices are used to gain long or short exposure, or hedge exposure to, an issuer, group of issuers, economic sector or region, or simply adjust the fund's overall exposure to equity markets, depending on the country, region, economic sector, issuer or group of issuers.*

*They are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions.*

*Currency derivatives are used to gain long or short exposure, hedge exposure to a currency, or simply adjust the fund's overall exposure to currency risk. They may also be used to pursue relative value strategies, where the fund takes simultaneous long and short positions on foreign exchange markets. The fund also holds forward exchange contracts traded over-the-counter to hedge against currency risk on hedged units denominated in currencies other than the euro.*

*Interest rate derivatives are used to gain long or short exposure, hedge against interest rate risk, or simply adjust the portfolio's modified duration. Interest rate derivatives are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on different fixed income markets, depending on the country, region or yield curve segment.*

*Volatility or variance instruments are used to gain long or short exposure to market volatility, to hedge equity exposure or to adjust the portfolio's overall exposure to market volatility or variance. They are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on market volatility.*

*Dividend derivatives are used to gain long or short exposure to the dividend of an issuer or group of issuers, or to hedge the dividend risk on an issuer or group of issuers, dividend risk being the risk that the dividend of a share or equity index is not paid as anticipated by the market. They are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on equity market dividends.*

*Commodity derivatives are used to gain long or short exposure to commodities, to hedge commodity exposure, or to adjust the portfolio's commodity exposure. They are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on commodities.*

*Overall exposure to derivatives is controlled by combining leverage, defined as the sum of gross nominal amounts of derivatives without netting or hedging, with the fund's VaR limit (cf. section VI. "Overall risk").*

*Derivative transactions may be concluded with counterparties selected by the management company in accordance with its best-execution/best-selection policy and the approval procedure for new counterparties. These counterparties are credit institutions or investment companies established in a European Union member state, with a minimum credit rating of BBB- (or equivalent) from at least one of the main credit rating agencies. Derivatives are subject to guarantees; the section entitled "Contracts as Collateral" contains information on how these work and on their characteristics. It should be noted that these counterparties have no discretionary decision-making powers over the composition or management of the fund's portfolio or over the underlying assets of financial derivative instruments.*

#### **SECURITIES WITH EMBEDDED DERIVATIVES**

*The fund may invest in securities with embedded derivatives (particularly convertible bonds, callable/puttable bonds, credit-linked notes (CLN), EMTN, warrants and subscription certificates resulting from corporate actions involving the award of this type of security) traded on regulated, organised or over-the-counter Eurozone and/or international markets.*

*These securities with embedded derivatives allow the portfolio manager to expose the fund to the following risks, while respecting the portfolio's overall constraints:*

- *Equities (up to 100% of the net assets),*
- *Currencies,*
- *Fixed income,*
- *Dividends,*
- *Volatility and variance (up to 10% of the net assets),*
- *Commodities through eligible financial contracts for up to 20% of the net assets,*
- *ETFs (financial instruments).*

#### **STRATEGY FOR USING SECURITIES WITH EMBEDDED DERIVATIVES TO ACHIEVE THE INVESTMENT OBJECTIVE**

*The portfolio manager uses securities with embedded derivatives, as opposed to the other derivatives mentioned above, to optimise the portfolio's exposure or hedging by reducing the cost of using these financial instruments or gaining exposure to several performance drivers.*

*The risk associated with this type of investment is limited to the amount invested for the purchase of the securities with embedded derivatives.*

*The amount of this type of investment in securities with embedded derivatives, excluding contingent convertible bonds and callable/puttable bonds, may not exceed 10% of the net assets.*

*The portfolio manager may invest up to 10% of the net assets in contingent convertible bonds ("CoCos"). These securities often deliver a higher return (in exchange for higher risk) than conventional bonds due to their specific structure and the place they occupy in the capital structure of the issuer (subordinated debt). They are issued by banks under the oversight of a supervisory authority. They may have bond and equity features, being hybrid convertible instruments. They may have a safeguard mechanism that turns them into ordinary shares if a trigger event threatens the issuing bank.*

*The fund may also invest up to 49% of its net assets in callable bonds and puttable bonds. These negotiable debt securities have an optional component allowing for early redemption subject to certain conditions (holding period, occurrence of a specific event, etc.) on the initiative of the issuer (in the case of callable bonds) or at the request of the investor (in the case of puttable bonds).*

#### **UCIS AND OTHER INVESTMENT FUNDS**

*The fund may invest up to 10% of its net assets in:*

- *Units or shares of French or foreign UCITS;*
- *Units or shares of French or European AIFs;*
- *Foreign investment funds.*

*Provided that the foreign UCITS, AIF or investment fund meets the criteria of Article R214-13 of the French Monetary and Financial Code.*

*The fund may invest in funds managed by Carmignac Gestion or an affiliated company.*

*The fund may use trackers, listed index funds and exchange traded funds.*

#### **DEPOSITS AND CASH**

*The fund may use deposits in order to optimise its cash management and to manage the various subscription or redemption settlement dates of the underlying funds. These trades are made within the limit of 20% of the net assets. This type of transaction will be made on an exceptional basis.*

*The fund may hold cash on an ancillary basis, in particular in order to meet its redemption obligations in relation to investors.*

*Cash lending is prohibited.*

#### **CASH BORROWING**

*The fund may borrow cash, in particular to cover investment/disinvestments and subscriptions/redemptions. As the fund is not intended to be a structural borrower of cash, these loans will be temporary and limited to 10% of the fund's net assets.*

#### **TEMPORARY PURCHASE AND SALE OF SECURITIES**

*For efficient portfolio management purposes, and without deviating from its investment objectives, the fund may allocate up to **20%** of its net assets to temporary purchases/sales (securities financing transactions) of securities eligible for the fund (essentially equities and money market instruments). These trades are made to optimise the fund's income, invest its cash, adjust the portfolio to changes in the assets under management, or implement the strategies described above. These transactions consist of:*

- *Securities repurchase and reverse repurchase agreements,*
- *Securities lending/borrowing.*

*The expected proportion of assets under management that may be involved in such transactions is 10% of the net assets.*

*The counterparty to these transactions is CACEIS Bank, Luxembourg Branch. CACEIS Bank, Luxembourg Branch, does not have any power over the composition or management of the fund's portfolio.*

*Within the scope of these transactions, the fund may receive/give financial guarantees (collateral); the section entitled "Collateral management" contains information on how these work and on their characteristics.*

## Contracts constituting financial guarantees

Within the scope of OTC derivatives transactions, the fund may receive or give financial assets constituting guarantees with the objective of reducing its exposure to overall counterparty risk.

Financial guarantees usually take the form of cash for OTC derivative transactions. All financial guarantees received or given are transferred with full ownership.

The counterparty risk inherent in OTC derivatives transactions may not exceed 10% of the fund's net assets where the counterparty is one of the credit institutions defined in the current regulations, or 5% of its assets in other cases.

In this regard, any financial guarantee (collateral) received and serving to reduce counterparty risk exposure shall comply with the following:

- It shall take the form of cash or bonds or treasury bills (of any maturity) issued or guaranteed by OECD member states, by their regional public authorities or by supranational institutions and bodies with EU, regional or worldwide scope;
- It shall be held by the Custodian of the AIF or by one of its agents or a third party under its supervision or by any third-party custodian subject to prudential supervision and which is not linked in any way to the provider of the financial guarantees.
- In accordance with the regulations in force, it shall at all times fulfil liquidity, valuation (at least daily), issuer credit rating (at least AA-), counterparty correlation (low) and diversification criteria, and exposure to any given issuer shall not exceed 20% of the net assets;
- Financial guarantees received in the form of cash shall be mainly deposited with eligible entities and/or used in reverse repurchase transactions, and to a lesser extent invested in first-rate government bonds or treasury bills and short-term money market funds.

Government bonds and treasury bills received as collateral are subject to a discount of between 1% and 10%. The management company agrees this contractually with each counterparty.

## Risk profile

The use of forward financial instruments in the feeder fund may adjust the exposure and, as a result, the risk profile of the feeder fund in relation to the risk profile of the master fund, Carmignac Investissement FCP.

The fund is invested in the Carmignac Investissement fund and in financial instruments selected by the management company. The performance of these funds and financial instruments depends on the evolution and fluctuations of the markets.

The risk profile of the fund is suitable for an investment horizon of over five years.

Potential investors should be aware that the value of the fund's assets is subject to the fluctuations of the international equity, bond and currency markets and that it may vary substantially. In addition, given its discretionary management strategy, there is a risk that the Fund might not be invested in the best-performing markets at all times.

The risk factors described below are not exhaustive and are also a reflection of the risk factors of the master fund. It is up to each investor to analyse the risk associated with such an investment and to form his/her own opinion independent of CARMIGNAC GESTION, where necessary seeking the opinion of any advisers specialised in such matters in order to ensure that this investment is appropriate in relation to his/her financial situation.

- a) Risk associated with discretionary management:** discretionary management is based on the expected evolution of the financial markets. The fund's performance will depend on the companies selected and asset allocation chosen by the management company. There is a risk that the management company may not invest in the best performing companies.
- b) Risk of capital loss:** the portfolio does not guarantee or protect the capital invested. A capital loss occurs when a unit is sold at a lower price than that paid at the time of purchase.
- c) Equity risk:** as the Fund is exposed to equity market risk, the net asset value of the fund may decrease in the event of an equity market upturn or downturn.
- d) Currency risk:** currency risk is linked to exposure – through investments and the use of forward financial instruments – to a currency other than the fund's valuation currency. Currency appreciations or depreciations may cause the net asset value to fall.
- e) Emerging markets risk:** the operating and supervision conditions of these markets may deviate from the standards prevailing on the major international markets, and price variations may be high.
- f) Interest rate risk:** interest rate risk results in a decline in the net asset value in the event of a rise in interest rates. When the modified duration of the portfolio is positive, a rise in interest rates may lead to a reduction in the value of the portfolio. When the modified duration of the portfolio is negative, a fall in interest rates may lead to a reduction in the value of the portfolio.
- g) Credit risk:** the manager may invest in unrated bonds or those with a rating below investment grade according to at least one of the major rating agencies, i.e. presenting a high credit risk. Credit risk is the risk that the issuer may default. Should the quality of issuers decline, for example in the event of a downgrade in their rating by the financial rating agencies, the value of the bonds may drop and lead to a fall in the fund's net asset value.
- h) Liquidity risk:** the markets in which the fund and its master fund participate may be subject to temporary illiquidity. These market distortions could have an impact on the pricing conditions under which the fund may be caused to liquidate, initiate or modify its positions.
- i) Risk attached to investments in China:** as part of its exposure to emerging markets, the master fund may invest up to 10% of its net assets directly in the Chinese domestic market. Investments in China are exposed to political and social risk (restrictive regulations that could be changed unilaterally, social unrest, etc.), economic risk due to the legal and regulatory environment being less developed than in Europe, and stock market risk (volatile and unstable market, risk of sudden suspension of trading, etc.). The fund is exposed to the risk associated with the RQFII licence and status, which was allocated to Carmignac Gestion in 2014 in relation to funds managed by the group's management companies. Its status is subject to ongoing review by the Chinese authorities and may be revised, reduced or withdrawn at any time, which may affect the fund's NAV. The fund is also exposed to the risk associated with investments made via the Hong Kong Shanghai Connect (Stock Connect) platform, which makes it possible to invest through the Hong Kong market in more than 500 stocks listed in Shanghai. This system inherently involves higher counterparty and securities delivery risks.
- j) Risk associated with high yield bonds:** a bond is considered a high yield bond when its credit rating is below investment grade. The value of high yield bonds may fall more substantially and more rapidly than other bonds and negatively affect the net asset value of the fund, which may decrease as a result.

**k) Risk associated with investment in contingent convertible bonds (CoCos):** risk related to the trigger threshold: these securities have characteristics specific to them. The occurrence of the contingent event may result in a conversion into shares or even a temporary or definitive writing off of all or part of the debt. The level of conversion risk may vary, for example depending on the distance between the issuer's capital ratio and a threshold defined in the issuance prospectus. Risk of loss of coupon: with certain types of CoCo, payment of coupons is discretionary and may be cancelled by the issuer. Risk linked to the complexity of the instrument: as these securities are recent, their performance in periods of stress has not been established beyond doubt. Risk linked to late or non repayment: contingent convertible bonds are perpetual instruments repayable only at predetermined levels with the approval of the relevant authority. Capital structure risk: unlike with the standard capital hierarchy, investors in this type of instrument may suffer a capital loss, which holders of shares in the same issuer would not incur. As with the high yield bond market, the liquidity of contingent convertible bonds may be significantly affected in the event of market turmoil.

**l) Risk associated with commodity indices:** changes in commodity prices and the volatility of this sector may cause the net asset value to fall.

**m) Capitalisation risk:** the Fund may be exposed to small and mid-cap equity markets. As there are generally fewer small and mid-cap stocks listed on stock exchanges, market movements are more pronounced than in the case of large cap stocks. The net asset value of the fund may therefore be affected.

**n) Counterparty risk:** counterparty risk measures the potential loss in the event of a failure by a counterparty in OTC financial contracts to honour its contractual obligations. The fund is exposed to it through over-the-counter financial contracts agreed with various counterparties. In order to reduce the fund's exposure to counterparty risk, the management company may establish financial guarantees in favour of the fund.

**o) Risk associated with volatility:** the increase or decrease in volatility may lead to a fall in net asset value. The fund is exposed to this risk, particularly through derivative products with volatility or variance as the underlying instrument.

**p) Risks associated with temporary purchases and sales of securities:** the use of these transactions and management of their collateral may carry certain specific risks, such as operational risks and custody risk. Use of these transactions may therefore have a negative effect on the master fund's net asset value.

**q) Legal risk:** this entails the risk of improper drafting of contracts concluded with the counterparties for over-the-counter financial instruments.

**r) Risk associated with the reinvestment of collateral:** the Fund does not intend to reinvest collateral received, but if it does, there would be a risk of the resultant value being lower than the value initially received.

**s) Risk associated with unlisted securities:** these securities are associated with liquidity risk due to the lack of an active market and the type of issuers; these securities also entail valuation and volatility risk given the absence of a price quotation and reference market. It may not be possible to sell these securities at the time and price initially anticipated, which may have a negative impact on the fund's net asset value.

**t) Sustainability risk:** refers to an event or an environmental, social or governance factor that, if it were to occur, could have a significant real or potential impact on the value of investments and, ultimately, on the net asset value of the fund. (This risk is described earlier in section b) Extra-financial characteristics)

## ✓ Incorporation of sustainability risk into investment decisions

The fund's investments are exposed to sustainability risks, representing a real or potential threat to maximising long-term risk-adjusted rewards. The Management Company has therefore incorporated the identification and assessment of sustainability risks into its investment decisions and risk management processes, through a three-step procedure:

1/ Exclusion: Investments in companies that the Management Company believes do not meet the Fund's sustainability standards are excluded. The Management Company has established an exclusion policy that, amongst other things, provides for company exclusions and tolerance thresholds for business in fields such as controversial weapons, tobacco, adult entertainment, thermal coal production and electricity generation. For more information, please consult the exclusion policy on the "Responsible Investment" page of the website [www.carmignac.com](http://www.carmignac.com).

2/ Analysis: the Management Company incorporates an ESG analysis alongside a traditional financial analysis to identify sustainability risks from issuers in the investment universe, covering more than 90% of corporate bonds and equities. Carmignac's proprietary research system, START, is used by the Management Company to assess sustainability risks. For more information, please refer to the ESG integration policy and information on the START system on the "Responsible Investment" page of the website [www.carmignac.com](http://www.carmignac.com).

3/ Engagement: The Management Company works with issuers on ESG-related matters to raise awareness and gain a better understanding of sustainability risks to portfolios. This engagement may concern a specific environmental, social or governance matter, a long-term impact, controversial behaviour or proxy voting decisions. For more information, please consult the engagement policy on the "Responsible Investment" page of the website [www.carmignac.com](http://www.carmignac.com).

Potential impact of sustainability risk on the fund's returns.

Sustainability risks can have adverse effects on sustainability in terms of a significant real or potential negative impact on the value of investments and net asset value of the Fund, and ultimately on investors' return on investment.

There are several ways in which the Management Company may monitor and assess the financial significance of sustainability risks on a company's financial returns:

Environmental: the management company believes that if a company does not take into account the environmental impact of its business and the production of its goods and services, then it may lose natural capital, incur environmental fines, or suffer lower demand for its goods and services. Where relevant, a company's carbon footprint, water and waste management, and supply chain, are therefore all monitored.

Social: The management company believes that social indicators are important in monitoring a company's long-term growth potential and financial stability. These policies on human capital, product safety checks and client data protection are just some of the important practices that are monitored.

Governance: The management company believes that poor corporate governance may present a financial risk. The independence of the board of directors, composition and skills of the executive committee, treatment of minority shareholders, and remuneration, are the key factors studied. Companies' approach to accounting, tax and anti-corruption practices is also checked.



## Target subscribers and investor profile

Units of this fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly on behalf of or for the benefit of a US person, as defined in Regulation S. Furthermore, units of this fund may not be offered or sold, either directly or indirectly, to US persons and/or to any entities held by one or more US persons as defined by the US Foreign Account Tax Compliance Act (FATCA).

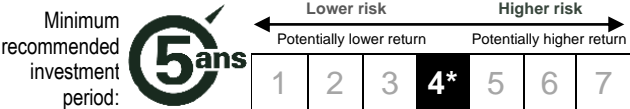
Aside from this exception, the fund is open to all investors.

The fund may be used within unit-linked life insurance policies.

Given the master fund's exposure to the equity market, the minimum recommended investment period in the feeder fund is over five years.

The amount that is appropriate to invest in this fund depends on your personal situation. To determine their level of investment, investors are invited to seek professional advice in order to diversify their investments and to determine the proportion of their financial portfolio or their assets to be invested in this fund relative to, more specifically, the minimum recommended investment period and exposure to the aforementioned risks, their personal assets, needs and own objectives.

# Investment policy



## Fund commentary

In 2022, the fund returned +2.08% (A EUR Acc units – ISIN FR0010147603), compared with -6.59% for its reference indicator (50% MSCI AC WORLD NR (USD), 50% compounded ESTER (EUR)).

Inflation returned after a decade of absence, with pent-up demand, extraordinary support from financial institutions during the pandemic years and limited supply contributing to prices rises. Swept along by events, central banks were forced to adopt restrictive policies in order to address labour market tensions and persistent inflation drivers. Monetary tightening led to a rapid rise in interest rates, which in turn led to a fall in the bond markets. As a result, the majority of equity markets went off the rails, with the most expensive segments worst affected. This was especially true of growth stocks that had benefited from Covid – energy stood out due to a change in supply and demand dynamics. As recession fears grew over the course of the year, hopes of a central bank pivot fuelled technical rebounds in risk assets. However, the markets were disappointed by the year-end meetings of the US and European central banks. With the threat of recession looming, China finally lifted its zero-Covid policy to support its economic rebound.

Despite a significant decline in the equity markets, our active management of equity exposure enabled us to both mitigate the market correction at the beginning and end of the year and to take advantage of the market rebound in the middle of the period.

We start the new year with a defensive position. US long-term rates may continue their general descent in expectation of inflation returning to familiar territory – justified or otherwise. Alongside western equity markets, we are paying close attention to two eastern markets: Japan and China. This view justifies a bold year-long hedging strategy capable of distinguishing between western and Asian economies’ diverging trends.

## Table showing the annual performance of the different Carmignac Investment Latitude units over 2022

Units	ISIN	Currency	Performance 2022	Reference indicator*
A EUR ACC	FR0010147603	EUR	2.08%	-6.59%
F EUR ACC	FR0013527827	EUR	2.28%	-6.59%

*\*50% MSCI AC WORLD NR (USD), 50% ESTER (EUR) compounded.  
Past performance is not an indication of future results. Performance is shown net of fees (excluding any entry charges applied by the distributor).*

**Main changes to the portfolio during the year**

Holding	Movement ("Accounting currency")	
	Acquisitions	Disposals
CARMIGNAC INVESTISSEMENT CI – A EUR ACC UNITS	36,637,384.06	31,494,308.17
KraneShares CSI China Internet ETF USD	2,104,690.67	2,168,879.00

**Efficient portfolio and financial derivative management techniques**

**A) EXPOSURE OBTAINED THROUGH EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES AND FINANCIAL DERIVATIVES AT 30 DECEMBER 2022**

- **Exposure obtained through efficient management techniques: 0.00**
  - Securities lending: 0.00
  - Securities borrowing: 0.00
  - Reverse repurchase agreements: 0.00
  - Repurchase agreements: 0.00
- **Exposure to underlying instruments achieved through financial derivatives: 105,047,736.55**
  - Forward exchange contracts: 25,011,728.80
  - Futures: 74,764,782.72
  - Options: 0.00
  - Swap: 5,271,225.02

**B) IDENTITY OF COUNTERPARTY/COUNTERPARTIES TO EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES AND FINANCIAL DERIVATIVES AT 30 DECEMBER 2022**

Efficient management techniques	Financial derivatives (*)
	CREDIT AGRICOLE CIB BANK OF AMERICA JP MORGAN

(\*) Except listed derivatives

C) FINANCIAL GUARANTEES RECEIVED BY THE FUND IN ORDER TO REDUCE COUNTERPARTY RISK AT 30 DECEMBER 2022

Types of instrument	Amount in portfolio currency
<b>Efficient management techniques</b>	
. Term deposits	0.00
. Equities	0.00
. Bonds	0.00
. UCITS	0.00
. Cash (*)	0.00
<b>Total</b>	<b>0.00</b>
<b>Financial derivatives</b>	
. Term deposits	0.00
. Equities	0.00
. Bonds	0.00
. UCITS	0.00
. Cash	780,000.00
<b>Total</b>	<b>780,000.00</b>

(\*) The Cash account also includes cash resulting from repurchase agreements.

D) INCOME AND OPERATING EXPENSES ARISING FROM EFFICIENT MANAGEMENT TECHNIQUES FROM 6 DECEMBER 2021 TO 30 DECEMBER 2022.

Income and operating expenses	Amount in portfolio currency
. Income (*)	0.00
. Other income	0.00
<b>Total income</b>	<b>0.00</b>
. Direct operating expenses	0.00
. Indirect operating expenses	0.00
. Other expenses	0.00
<b>Total expenses</b>	<b>0.00</b>

(\*) Income from lending and repurchase agreements

**Transparency of securities financing transactions and the reuse of financial instruments pursuant to the SFTR in the fund's currency of account (EUR)**

The fund took no part in any trades covered by the SFTR during the year.

# Regulatory information

## Policy for the selection of intermediaries

“In its capacity as management company, Carmignac Gestion selects service providers whose execution policy guarantees the best possible result when executing orders transmitted on behalf of its UCITS or its clients. It also selects service providers to aid in making investment decisions and to execute orders. In both cases, Carmignac Gestion has defined a policy for selecting and evaluating intermediaries according to certain criteria. You can find the updated version of this policy at [www.carmignac.com](http://www.carmignac.com)”. You will also find a report on intermediary fees on this website.

## Extra-financial characteristics

As at 30 December 2022, the financial product was classified under Article 9 of the EU SFDR.

The required regulatory information is included in the appendix to this report.

## Overall risk calculation method

The method used to determine the fund’s overall risk is the absolute Value-at-Risk (VaR) method over a two-year historical horizon, with a 99% confidence threshold over 20 days. The envisaged leverage, calculated as the sum of nominal amounts without netting or hedging, is 200% but may be higher under certain conditions.

As at 30 December 2022, Carmignac Gestion uses relative VaR data in accordance with the overall portfolio risk monitoring methodology

	VaR 99%, 20 days		
	Min	Average	Max
Carmignac Investissement Latitude	3.62	6.64	14.29

## Feeder fund management fees

The fund is a feeder fund of Carmignac Investissement. The total fees of the A EUR Acc units actually charged during the financial year amount to 2.95% inclusive of tax, of which 0.50% inclusive of tax represent direct management fees and 2.45% inclusive of tax represent indirect fees (representing the master fund's ongoing charges over the same period) from which trailer fees of 0.00% should be deducted.

The fund is a feeder fund of Carmignac Investissement. The total fees of the F EUR Acc units actually charged during the financial year amount to 2.75% inclusive of tax, of which 0.30% inclusive of tax represent direct management fees and 2.45% inclusive of tax represent indirect fees (representing the master fund's ongoing charges over the same period) from which trailer fees of 0.00% should be deducted.

*The master fund’s annual report is appended to this document.*

## Remuneration policy

Carmignac Gestion SA's remuneration policy is designed to comply with European and national remuneration and governance rules as set out in the UCITS Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 and 2014/91/EU of 23 July 2014, the ESMA guideline of 14 October 2016 (ESMA/2016/575), and the AIFM Directive 2011/61/EU of the European Parliament and of the Council.

It promotes sound and effective risk management without excessive risk taking. In particular, it ties employees to the risks they take to ensure that Identified Staff are fully committed to the Company's long-term performance.

The remuneration policy was approved by the Board of Directors of the management company. The principles of this policy are re-evaluated at least once a year by the remuneration and nominations committee and Board of Directors, and are adjusted to fit the changing regulatory framework. Details of the remuneration policy, including a description of how remuneration and benefits are calculated, as well as information on the remuneration and nominations committee, can be found at [www.carmignac.com](http://www.carmignac.com). A printout of the remuneration policy is available free of charge upon request.

### VARIABLE PART: DETERMINATION AND CALCULATION

Variable remuneration depends on both the individual success of the employee and the performance of the Company as a whole.

The variable remuneration budget is determined on the basis of Carmignac Gestion SA's results over the previous financial year, while ensuring that capital remains at a sufficient level. It is then distributed between the various departments according to the assessment of their performance, and within each department according to employees' individual performance appraisals.

The amount of the variable portion allocated to each employee reflects their performance and the achievement of targets set by the Company.

These targets may be quantitative and/or qualitative and are linked to the employee's position. They take into account individual behaviour to avoid short-term risk taking. They give particular consideration to the sustainability of action taken by the employee and its long-term benefits for the company, the employee's personal involvement and the completion of assigned tasks.

### 2021 FINANCIAL YEAR

The implementation of the remuneration policy for 2021 has been assessed internally and independently to check compliance with the remuneration policies and procedures adopted by Carmignac Gestion's Board of Directors.



## 2022 FINANCIAL YEAR

The annual report produced by Carmignac Gestion's Board of Directors is available on the Carmignac website ([www.carmignac.com](http://www.carmignac.com)).

2022	
Number of employees	176
Fixed salaries paid in 2022	€13,051,217.29
Total variable remuneration paid in 2022	€37,578,333.26
Total remuneration paid in 2022	€50,629,550.55
> of which risk takers	€37,123,257.99
> of which non-risk takers	€13,506,292.56

## Substantial changes during the year

As of 1 January 2022, the portfolio has undergone the following changes:

- SFDR 9: Conversion of the fund into a “Financial product with a sustainable investment objective” (Article 9 of the SFDR).

BNP S.A. became the depositary for the portfolio on 1 October 2022 following an intra-group merger.

# CARMIGNAC INVESTISSEMENT LATITUDE BALANCE SHEET

## ASSETS IN EUR

	30/12/2022	31/12/2021
<b>FINANCIAL INSTRUMENTS</b>	<b>134,214,816.88</b>	<b>154,128,883.87</b>
<b>MASTER FUND</b>	<b>132,019,837.53</b>	<b>154,124,579.42</b>
<b>Forward financial instruments</b>	<b>2,194,979.35</b>	<b>4,304.45</b>
Transactions on a regulated or similar market	1,816,444.81	4,304.45
Other transactions	378,534.54	0.00
<b>RECEIVABLES</b>	<b>31,527,605.87</b>	<b>39,321,692.97</b>
Currency forward exchange contracts	25,011,728.80	38,964,400.70
Other	6,515,877.07	357,292.27
<b>FINANCIAL ACCOUNTS</b>	<b>10,244,714.36</b>	<b>6,334,716.19</b>
Cash	10,244,714.36	6,334,716.19
<b>TOTAL ASSETS</b>	<b>175,987,137.11</b>	<b>199,785,293.03</b>

# CARMIGNAC INVESTISSEMENT LATITUDE BALANCE SHEET

## LIABILITIES AND OWNER'S EQUITY IN EUR

	30/12/2022	31/12/2021
<b>EQUITY</b>		
Share capital	109,488,175.38	158,913,375.26
Non-distributed prior net capital gains and losses (a)	0.00	0.00
Retained earnings (a)	0.00	0.00
Net capital gains and losses for the financial year (a,b)	35,789,892.40	2,664,171.81
Profit/(loss) for the financial year (a,b)	-720,206.86	-960,653.48
<b>TOTAL EQUITY*</b>	<b>144,557,860.92</b>	<b>160,616,893.59</b>
<i>*Amount corresponding to the net assets</i>		
<b>FINANCIAL INSTRUMENTS</b>	<b>1,921,827.42</b>	<b>4,304.43</b>
Forward financial instruments	1,921,827.42	4,304.43
Transactions on a regulated or similar market	1,816,444.72	4,304.43
Other transactions	105,382.70	0.00
<b>PAYABLES</b>	<b>26,248,453.39</b>	<b>38,855,978.06</b>
Currency forward exchange contracts	24,762,820.19	38,695,462.25
Other	1,485,633.20	160,515.81
<b>FINANCIAL ACCOUNTS</b>	<b>3,258,995.38</b>	<b>308,116.95</b>
Short-term bank loans	3,258,995.38	308,116.95
Borrowings	0.00	0.00
<b>TOTAL LIABILITIES</b>	<b>175,987,137.11</b>	<b>199,785,293.03</b>

(a) Including accruals and deferrals

(b) Less interim dividends paid for the financial year

# CARMIGNAC INVESTISSEMENT LATITUDE OFF-BALANCE SHEET

	30/12/2022	31/12/2021
<b>HEDGING TRANSACTIONS</b>		
Commitment on regulated or similar markets		
Futures contracts		
CAC 40 FUT 0123	3,299,955.00	0.00
SP 500 MINI 0323	9,767,814.48	0.00
DAX 30 IND FU 0323	3,497,000.00	0.00
MME MSCI EMER 0322	0.00	4,798,658.99
MME MSCI EMER 0323	7,236,514.41	0.00
NQ USA NASDAQ 0323	9,294,940.27	0.00
E-MIN RUS 200 0323	12,859,662.68	0.00
EURO STOXX 50 0323	26,873,500.00	0.00
FTSE 100 FUT 0323	1,935,395.89	0.00
Commitment on OTC markets		
Futures contracts		
MLCCARK2 BOFA USD 03	3,222,359.75	0.00
Contracts for difference		
KRANE CSI CHINA	2,048,865.27	0.00
Other commitments		
<b>OTHER TRANSACTIONS</b>		
Commitment on regulated or similar markets		
Commitment on OTC markets		
Other commitments		

# CARMIGNAC INVESTISSEMENT LATITUDE INCOME STATEMENT

	30/12/2022	31/12/2021
<b>Income from financial transactions</b>		
Income from deposits and financial accounts	28,706.68	473.98
Income from equities and similar securities	0.00	0.00
Income from bonds and similar securities	0.00	0.00
Income from debt securities	0.00	0.00
Income from temporary purchases and sales of securities	-418.14	226.60
Income from financial futures	0.00	0.00
Other financial income	0.00	0.00
<b>TOTAL (1)</b>	<b>28,288.54</b>	<b>700.58</b>
<b>Payables on financial transactions</b>		
Payables on temporary purchases and sales of securities	505.93	2,445.75
Payables on financial futures	0.00	0.00
Payables on financial debts	73,794.75	80,540.65
Other payables	0.00	0.00
<b>TOTAL (2)</b>	<b>74,300.68</b>	<b>82,986.40</b>
<b>PROFIT/(LOSS) ON FINANCIAL TRANSACTIONS (1 - 2)</b>	<b>-46,012.14</b>	<b>-82,285.82</b>
Other income (3)	0.00	0.00
Management fee and depreciation allowance (4)	707,799.04	931,310.79
<b>Net profit/(loss) for the financial year (L. 214-17-1) (1 - 2 + 3 - 4)</b>	<b>-753,811.18</b>	<b>-1,013,596.61</b>
Income equalisation for the financial year (5)	33,604.32	52,943.13
Interim dividends on income paid for the financial year (6)	0.00	0.00
<b>PROFIT/(LOSS) (1 - 2 + 3 - 4 + 5 - 6)</b>	<b>-720,206.86</b>	<b>-960,653.48</b>

# NOTES TO THE FINANCIAL STATEMENTS OF CARMIGNAC INVESTISSEMENT LATITUDE

## Accounting methods and rules

The annual financial statements are drawn up in the form required by ANC Regulation 2014-01, as amended.

The general principles of accounting apply:

- a true and fair view, comparability, going concern,
- lawfulness and fairness,
- prudence,
- consistent practice from one financial year to the next.

Income from fixed income securities is recorded on the basis of accrued interest.

Purchases and sales of securities are recorded exclusive of costs.

The accounting currency of the portfolio is the euro.

There are 12 months in the financial year.

## Asset valuation rules

Financial instruments are recorded in the financial statements using the historical cost method and are entered on the balance sheet at their current value as determined by the last-known market value or, where a market does not exist, by any external means or by using financial models.

Differences between the current values used to calculate the net asset value and the historical costs of transferable securities when first included in the portfolio are recorded in “valuation differentials” accounts.

Securities that are not denominated in the currency of the portfolio are valued in accordance with the principle described below; the valuation is then converted into the currency of the portfolio on the basis of the exchange rate prevailing on the valuation day.

### FUNDS HELD:

Units or shares of UCIs will be valued at their last-known net asset value.

### FORWARD FINANCIAL INSTRUMENTS:

#### *Forward financial instruments traded on a regulated or similar market:*

Forward financial instruments traded on regulated markets are valued at the settlement price of that day.

#### *Forward financial instruments not traded on a regulated or similar market:*

##### **Swaps:**

Interest rate and/or currency swaps are valued at their market value by discounting future interest payments at the interest rate and/or currency exchange rate prevailing on the market. This price is adjusted to the issuer's risk.

Index swaps are valued using an actuarial method on the basis of a reference rate provided by the counterparty.

Other swaps are valued at their market value or at a value estimated according to the terms and conditions determined by the management company.

**Off-balance sheet commitments:**

Futures contracts are recorded at their market value as off-balance sheet commitments on the basis of the price used in the portfolio.

Options are converted into the underlying equivalent.

Swap commitments are recorded at their nominal value or, where there is no nominal value, at an equivalent amount.

**Financial instruments:**

NAME	Description
CAC 40 FUT 0123	Futures on CAC CAC 40 INDEX
SP 500 MINI 0323	Futures on SPX S&P 500 INDEX
DAX 30 IND FU 0323	Futures on DAX DAX 30 INDEX PERFORMANCE
MME MSCI EMER 0323	Futures on MXEF MSCI EMERGING MARKETS
NQ USA NASDAQ 0323	Futures on NDX NASDAQ 100 INDEX
E-MIN RUS 200 0323	Futures on RTY RUSSELL 2000 INDEX
EURO STOXX 50 0323	Futures on SX5E DJ STOXX50 E
FTSE 100 FUT 0323	Futures on UKX UKX - LONDON FTSE 100 INDEX
MLCCARK2 BOFA USD 03	BASKET - FORWARD ON A BASKET OF EQUITIES
JP MORGAN AG	CONTRACT FOR DIFFERENCE ON SHARES

**Management fees**

Management fees and operating costs cover all the charges relating to the UCI: investment, administrative, accounting, custody, distribution, audit fees, etc.

These fees are recorded in the UCI's income statement.

Management fees do not include transaction fees. Please refer to the prospectus for further details on the charges actually invoiced to the UCI.

They are recorded on a pro-rata basis each time the net asset value is calculated.

The combined total of these fees respects the limit of the net assets, as specified in the prospectus or fund rules:

FR0010147603 – A EUR Acc units: Maximum of 0.50% inclusive of tax.

FR0013527827 – F EUR Acc units: Maximum of 0.30% inclusive of tax.



## Allocation of distributable income

### DEFINITION OF DISTRIBUTABLE INCOME

Distributable income is made up of:

#### NET INCOME:

The net income for the financial year is equal to the amount of interest, arrears, premiums and prizes, dividends, director's fees and any other income relating to the securities constituting the portfolio, plus income generated by temporary cash holdings and minus the amount of management fees and interest charges on loans. This is increased by retained earnings, plus or minus the balance of the income equalisation accounts.

#### CAPITAL GAINS AND LOSSES:

Realised capital gains, net of fees, minus realised capital losses, net of fees, recognised during the financial year, plus net capital gains of a similar nature recognised during previous financial years and which have not been distributed or accumulated, plus or minus the balance of the capital gains equalisation account.

#### ALLOCATION OF DISTRIBUTABLE INCOME:

Unit(s)	Allocation of net income	Allocation of net realised capital gains or losses
A EUR Acc units	Accumulation	Accumulation
F EUR Acc unit class	Accumulation	Accumulation

# CARMIGNAC INVESTISSEMENT LATITUDE NET ASSET CHANGES

	30/12/2022	31/12/2021
<b>NET ASSETS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<b>160,616,893.59</b>	<b>187,857,110.18</b>
Subscriptions (including subscription fees paid to the Fund)	8,011,653.79	16,713,389.20
Redemptions (after deduction of redemption fees paid to the Fund)	-26,042,713.49	-33,859,672.77
Realised gains on deposits and financial instruments	9,810,451.94	20,915,720.84
Realised losses on deposits and financial instruments	0.00	0.00
Realised gains on forward financial instruments	53,664,513.53	14,947,130.29
Realised losses on forward financial instruments	-25,795,792.29	-32,621,488.36
Transaction fees	-72,948.08	-61,234.19
Foreign exchange differences	23,030.84	-86,809.84
Changes in the valuation differential of deposits and financial instruments	-36,997,059.59	-12,169,350.72
<i>Valuation differential for the financial year N</i>	<i>27,519,454.34</i>	<i>64,516,513.93</i>
<i>Valuation differential for the financial year N-1</i>	<i>-64,516,513.93</i>	<i>-76,685,864.65</i>
Changes in the valuation differential of forward financial instruments	2,093,641.86	-4,304.43
<i>Valuation differential for the financial year N</i>	<i>2,089,337.43</i>	<i>-4,304.43</i>
<i>Valuation differential for the financial year N-1</i>	<i>4,304.43</i>	<i>0.00</i>
Dividends paid in the previous financial year on net capital gains and losses	0.00	0.00
Dividends paid in the previous financial year on income	0.00	0.00
Net profit/(loss) for the financial year prior to the income equalisation account	-753,811.18	-1,013,596.61
Interim dividend(s) paid during the financial year on net capital gains and losses	0.00	0.00
Interim dividend(s) paid during the financial year on income	0.00	0.00
Other items	0.00	0.00
<b>NET ASSETS AT THE END OF THE FINANCIAL YEAR</b>	<b>144,557,860.92</b>	<b>160,616,893.59</b>

**BREAKDOWN BY LEGAL OR ECONOMIC FORM OF THE FINANCIAL INSTRUMENTS OF CARMIGNAC INVESTISSEMENT LATITUDE**

	Amount	%
<b>OFF-BALANCE SHEET</b>		
<b>HEDGING TRANSACTIONS</b>		
Equities	80,036,007.75	55.37
<b>TOTAL HEDGING TRANSACTIONS</b>	<b>80,036,007.75</b>	<b>55.37</b>
<b>OTHER TRANSACTIONS</b>		
<b>TOTAL OTHER TRANSACTIONS</b>	<b>0.00</b>	<b>0.00</b>

**BREAKDOWN BY INTEREST RATES OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS OF CARMIGNAC INVESTISSEMENT LATITUDE**

	<b>Fixed rate</b>	<b>%</b>	<b>Variable rate</b>	<b>%</b>	<b>Adjustable rate</b>	<b>%</b>	<b>Other</b>	<b>%</b>
<b>OFF-BALANCE SHEET</b>								
Hedging transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## BREAKDOWN BY RESIDUAL MATURITY OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS OF CARMIGNAC INVESTISSEMENT LATITUDE(\*)

	< 3 months	%	[3 months – 1 year]	%	[1–3 years]	%	[3–5 years]	%	>5 years	%
<b>OFF-BALANCE SHEET</b>										
Hedging transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(\*) Positions in interest rate futures are shown according to the maturity of the underlying instrument.

# BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS BY LISTING OR VALUATION CURRENCY – CARMIGNAC INVESTISSEMENT LATITUDE

	Currency 1 USD		Currency 2 GBP		Currency 3 CHF		Currency N OTHER(S)	
	Amount		Amount		Amount		Amount	
<b>ASSETS</b>								
Master Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Receivables	10,309,772.63	7.13	114,863.91	0.08	0.00	0.00	0.00	0.00
Financial accounts	0.00	0.00	0.00	0.00	202.04	0.00	75.88	0.00
<b>LIABILITIES</b>								
Payables	17,903,199.81	12.38	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts	3,108,314.18	2.15	150,681.20	0.10	0.00	0.00	0.00	0.00
<b>OFF-BALANCE SHEET</b>								
Hedging transactions	44,430,156.86	30.74	1,935,395.89	1.34	0.00	0.00	0.00	0.00
Other transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## RECEIVABLES AND PAYABLES: BREAKDOWN BY FORM OF CARMIGNAC INVESTISSEMENT LATITUDE

	Nature of the debit/credit	30/12/2022
<b>RECEIVABLES</b>		
	Forward currency purchases	6,782,019.21
	Funds receivable on forward currency sales	18,229,709.59
	Sales with deferred settlement	943,307.47
	Subscriptions receivable	238,189.23
	Guarantee deposits in cash	5,334,380.37
<b>TOTAL RECEIVABLES</b>		<b>31,527,605.87</b>
<b>PAYABLES</b>		
	Forward currency sales	17,903,199.81
	Funds payable on forward currency purchases	6,859,620.38
	Purchases with deferred settlement	557,250.90
	Redemption price payable	131,417.99
	Fixed management fee	16,964.31
	Collateral	780,000.00
<b>TOTAL PAYABLES</b>		<b>26,248,453.39</b>
<b>TOTAL RECEIVABLES AND PAYABLES</b>		<b>5,279,152.48</b>

## NUMBER OF CARMIGNAC INVESTISSEMENT LATITUDE SECURITIES ISSUED OR REDEEMED

	In units	In euro
<b>A EUR Acc units</b>		
Units subscribed during the financial year	28,664.245	7,785,702.96
Units redeemed during the financial year	-97,618.227	-26,042,713.49
Net balance of subscriptions/redemptions	-68,953.982	-18,257,010.53
Number of units outstanding at the end of the financial year	506,333.654	
<b>F EUR Acc unit class</b>		
Units subscribed during the financial year	2,309.043	225,950.83
Units redeemed during the financial year	0.00	0.00
Net balance of subscriptions/redemptions	2,309.043	225,950.83
Number of units outstanding at the end of the financial year	2,626.415	



## CARMIGNAC INVESTISSEMENT LATITUDE SUBSCRIPTION AND/OR REDEMPTION FEES

	In euro
<b>A EUR Acc units</b>	
Total fees paid to the Fund	0.00
Subscription fees paid to the Fund	0.00
Redemption fees paid to the Fund	0.00
<b>F EUR Acc unit class</b>	
Total fees paid to the Fund	0.00
Subscription fees paid to the Fund	0.00
Redemption fees paid to the Fund	0.00

# MANAGEMENT FEES OF CARMIGNAC INVESTISSEMENT LATITUDE

	30/12/2022
<b>A EUR Acc units</b>	
Guarantee fees	0.00
Fixed management fees	707,135.30
Percentage of fixed management fees	0.50
Trailer fees	0.00
<b>F EUR Acc unit class</b>	
Guarantee fees	0.00
Fixed management fees	663.74
Percentage of fixed management fees	0.30
Trailer fees	0.00

## COMMITMENTS RECEIVED OR GIVEN BY CARMIGNAC INVESTISSEMENT LATITUDE

### Guarantees received by the Fund

None.

### Other commitments received and/or given:

None.

**MARKET VALUE OF SECURITIES SUBJECT TO A TEMPORARY PURCHASE TRANSACTION BY CARMIGNAC INVESTISSEMENT LATITUDE**

Securities held under repurchase agreements ( <i>pension</i> )	0.00
Securities borrowed	0.00

# MARKET VALUE OF SECURITIES REPRESENTING GUARANTEE DEPOSITS OF CARMIGNAC INVESTISSEMENT LATITUDE

	30/12/2022
Financial instruments given as a guarantee and kept as their original entry	0.00
Financial instruments received as a guarantee and not entered on the balance sheet	0.00

# GROUP FINANCIAL INSTRUMENTS HELD IN THE PORTFOLIO – CARMIGNAC INVESTISSEMENT LATITUDE

	ISIN	Name	30/12/2022
Equities			0.00
Bonds			0.00
Transferable debt securities			0.00
UCIs			132,019,837.53
	FR0010148981	CARMIGNAC INVESTISSEMENT CI – A EUR ACC UNITS	132,019,837.53
Forward financial instruments			0.00
<b>Total group securities</b>			<b>132,019,837.53</b>

## ALLOCATION OF DISTRIBUTABLE INCOME RELATING TO INCOME – CARMIGNAC INVESTISSEMENT LATITUDE

	30/12/2022	31/12/2021
<b>Amounts to be allocated</b>		
Retained earnings	0.00	0.00
Income	-720,206.86	-960,653.48
<b>Total</b>	<b>-720,206.86</b>	<b>-960,653.48</b>

	30/12/2022	31/12/2021
<b>A EUR Acc units</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	-719,324.56	-960,527.13
<b>Total</b>	<b>-719,324.56</b>	<b>-960,527.13</b>

	30/12/2022	31/12/2021
<b>F EUR Acc unit class</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	-882.30	-126.35
<b>Total</b>	<b>-882.30</b>	<b>-126.35</b>

## ALLOCATION OF DISTRIBUTABLE INCOME RELATING TO CAPITAL GAINS AND LOSSES – CARMIGNAC INVESTISSEMENT LATITUDE

	30/12/2022	31/12/2021
<b>Amounts to be allocated</b>		
Non-distributed prior net capital gains and losses	0.00	0.00
Net capital gains and losses for the financial year	35,789,892.40	2,664,171.81
Interim dividends paid on net capital gains and losses in the financial year	0.00	0.00
<b>Total</b>	<b>35,789,892.40</b>	<b>2,664,171.81</b>

	30/12/2022	31/12/2021
<b>A EUR Acc units</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Non-distributed net capital gains and losses	0.00	0.00
Accumulation	35,719,702.38	2,663,617.85
<b>Total</b>	<b>35,719,702.38</b>	<b>2,663,617.85</b>

	30/12/2022	31/12/2021
<b>F EUR Acc unit class</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Non-distributed net capital gains and losses	0.00	0.00
Accumulation	70,190.02	553.96
<b>Total</b>	<b>70,190.02</b>	<b>553.96</b>



## OVERVIEW OF RESULTS AND OTHER SIGNIFICANT ITEMS FOR THE LAST FIVE FINANCIAL YEARS FOR CARMIGNAC INVESTISSEMENT LATITUDE

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
<b>Total net assets in EUR</b>	<b>198,533,288.52</b>	<b>160,607,012.61</b>	<b>187,857,110.18</b>	<b>160,616,893.59</b>	<b>144,557,860.92</b>
<b>A EUR Acc units in EUR</b>					
Net assets	198,533,288.52	160,607,012.61	187,834,623.53	160,583,364.22	144,274,054.78
Number of units	923,580.286	684,994.135	631,028.730	575,287.636	506,333.654
Net asset value per unit	214.96	234.46	297.66	279.13	284.93
Accumulation per unit on net capital gains or losses	27.62	0.01	17.96	4.63	70.54
Accumulation per unit on income	-1.36	-1.24	-1.41	-1.66	-1.42
<b>F EUR Acc units in EUR</b>					
Net assets	0.00	0.00	22,486.65	33,529.37	283,806.14
Number of units	0.00	0.00	200.000	317.372	2,626.415
Net asset value per unit	0.00	0.00	112.43	105.64	108.05
Accumulation per unit on net capital gains or losses	0.00	0.00	1.08	1.74	26.72
Accumulation per unit on income	0.00	0.00	-0.09	-0.39	-0.33

# LIST OF SECURITIES – CARMIGNAC INVESTISSEMENT LATITUDE AS AT 30 DECEMBER 2022

Name of securities	Curren cy	Quantity or nominal amount	Current value	% of net assets
<b>Undertakings for collective investment</b>				
<b>Retail UCITS and AIFs aimed at non-professional investors and equivalent funds of other countries</b>				
<b>FRANCE</b>				
CARMIGNAC INVESTISSEMENT PART CI - A EUR ACC	EUR	90,059.374	132,019,837.53	91.33
<b>TOTAL FRANCE</b>			<b>132,019,837.53</b>	<b>91.33</b>
<b>TOTAL Retail UCITS and AIFs aimed at non-professional investors and equivalent funds of other countries</b>			<b>132,019,837.53</b>	<b>91.33</b>
<b>TOTAL Undertakings for collective investment</b>			<b>132,019,837.53</b>	<b>91.33</b>
<b>Forward financial instruments</b>				
<b>Futures</b>				
<b>Futures on regulated or similar markets</b>				
CAC 40 FUT 0123	EUR	-51	55,364.42	0.04
DAX 30 IND FU 0323	EUR	-10	131,750.00	0.09
E-MIN RUS 200 0323	USD	-155	460,217.85	0.32
EURO STOXX 50 0323	EUR	-710	910,700.00	0.63
FTSE 100 FUT 0323	GBP	-23	-129.61	0.00
MME MSCI EMER 0323	USD	-161	50,606.70	0.04
NQ USA NASDAQ 0323	USD	-45	181,932.50	0.12
SP 500 MINI 0323	USD	-54	25,743.73	0.02
<b>TOTAL Futures on regulated or similar markets</b>			<b>1,816,185.59</b>	<b>1.26</b>
<b>Futures on OTC markets</b>				
MLCCARK2 BOFA USD 03	USD	-38,054	378,534.54	0.26
<b>TOTAL Futures on OTC markets</b>			<b>378,534.54</b>	<b>0.26</b>
<b>TOTAL futures</b>			<b>2,194,720.13</b>	<b>1.52</b>
<b>Other forward financial instruments</b>				
<b>CFDs</b>				
KRANE CSI CHINA	USD	108,143	-105,382.70	-0.08
<b>TOTAL CFD</b>			<b>-105,382.70</b>	<b>-0.08</b>
<b>TOTAL other forward financial instruments</b>			<b>-105,382.70</b>	<b>-0.08</b>
<b>TOTAL Forward financial instruments</b>			<b>2,089,337.43</b>	<b>1.44</b>
<b>Margin calls</b>				
APPEL MARGE B.P.S.S.	EUR	-1,097,814.42	-1,097,814.42	-0.76
APPEL MARGE B.P.S.S.	GBP	115	129.61	0.00
APPEL MARGE B.P.S.S.	USD	-766,819.86	-718,500.69	-0.49
<b>TOTAL margin calls</b>			<b>-1,816,185.50</b>	<b>-1.25</b>
<b>Receivables</b>			<b>31,527,605.87</b>	<b>21.81</b>
<b>Payables</b>			<b>-26,248,453.39</b>	<b>-18.16</b>
<b>Financial accounts</b>			<b>6,985,718.98</b>	<b>4.83</b>
<b>Net assets</b>			<b>144,557,860.92</b>	<b>100.00</b>
<b>F EUR Acc unit class</b>				
	EUR	2,626.415	108.05	
<b>A EUR Acc units</b>				
	EUR	506,333.654	284.93	

## ANNEX IV

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC INVESTISSEMENT LATITUDE

Legal entity identifier: 969500I3AH5YH4DH4M72

### Sustainable investment objective

Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes		<input type="radio"/> <input type="radio"/> <input type="checkbox"/> No	
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> 5 % <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input type="checkbox"/> It promoted <b>Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of % of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>		
<input checked="" type="checkbox"/> It made <b>sustainable investments with a social objective:</b> 15%	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>		

The minimum proportion of sustainable investments was 50% in 2022, and it will remain 50% of net assets in 2023. The minimum levels of sustainable investments with environmental and social objectives (as described above) will be 5% and 15% of the fund's net assets respectively, effective from 1 January 2023. The carbon target will remain 30% below the benchmark.

#### To what extent was the sustainable investment objective of this financial product met?

The fund is a feeder fund that permanently invests at least 85% of its net assets in A EUR Acc units (ISIN: FR0010148981) of the CARMIGNAC INVESTISSEMENT FCP (the "Master Fund"). Up to a maximum of 15% of its net assets may be invested on an ancillary basis in cash and/or financial contracts, for hedging purposes only. By investing in the Master Fund, the fund promotes the environmental and/or social characteristics of the latter.



The fund's sustainable investment objective consists in investing at least 50% of net assets in companies deriving at least 50% of their revenue from goods and services linked to business activities that positively align with at least one of the nine United Nations Sustainable Development Goals ("SDGs"), out of a total of 17, selected for this fund: (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. To find out more about the United Nations sustainable development goals, please visit <https://sdgs.un.org/goals>.

A company is considered "aligned" if it derives at least 50% of its revenue from activities that are deemed to contribute to one of the nine SDGs listed above. These 50% thresholds indicate significant commitment from the company with respect to its contribution and growth projects.

In order to determine which companies are aligned, the management company has identified a robust company classification system and mapped 1,700 different business activities. Furthermore, the management company uses the "SDG Compass", a resource created by the GRI ("Global Reporting Initiative"), the United Nations Global Compact and the World Business Council for Sustainable Development, to identify the business activities that contribute to each SDG. Carmignac has also created "investable themes" corresponding to business activities. The management company filters each business activity in the classification system based on these themes, sorting the relevant business activities into Carmignac's "investable themes" and using SDG targets to verify their suitability. Once the 50% revenue or investment threshold is reached for a given issuer, the total weight of that holding is considered aligned.

With regard to Regulation (EU) 2020/852 (the EU Taxonomy), the fund contributes, through its investments, to the following environmental objectives: climate change mitigation and adaptation. The fund does not have a carbon footprint reduction target aligned with the Paris Agreement, but it does seek to achieve carbon intensity (tCO<sub>2</sub>/\$m of revenue converted into euro, aggregated at portfolio level (scopes 1 and 2 of the GHG Protocol)) 30% lower than that of its reference benchmark, which is the MSCI EM (USD) index, net dividends reinvested, converted into EUR.

No failures to achieve the sustainable objective were identified during the year.

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

## ● How did the sustainability indicators perform?

This fund uses sustainability indicators 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 at 30 December 2022, the ESG analysis coverage rate was 100% of securities (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 based on 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,

- 3) (f) companies involved in tobacco production and (g) companies involved in adult entertainment. As at 30 December 2022, the initial investment universe for the equity component of the portfolio has been reduced by 21.17%.
- 4) **Alignment with the sustainable development goals:** at least 50% of the fund's net assets (i.e. excluding cash and derivatives used for hedging purposes) are invested in the equities of companies deriving at least 50% of their revenue from goods and 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 at 30 December 2022, 61% 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.
- 5) **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, Carmignac engaged with 81 companies, and 19 companies at the level of the Carmignac Investissement Latitude fund. We exercised our shareholder rights in almost 100% of the meetings where we held shares (98%).

The fund also seeks to achieve carbon emissions 30% lower than those of its reference benchmark (MSCI EM (USD), net dividends reinvested, converted into EUR), measured by carbon intensity (tCO<sub>2</sub>/\$m of revenue converted into euro, aggregated at portfolio level (scopes 1 and 2 of the GHG Protocol)). At 30 December 2022, the carbon emissions of the Carmignac Investissement Latitude fund were 72.3% lower than those of its reference benchmark.

Moreover, as regards monitoring principal adverse impacts ("PAI"), and in accordance with Annex 1 to Commission Delegated Regulation (EU) 2022/1288, the fund monitors 14 mandatory environmental and social indicators, and 2 optional indicators to demonstrate the impact of sustainable investments with respect to these indicators: greenhouse gas (GHG) emissions, carbon footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel sector, share of non-renewable energy consumption and production, energy consumption intensity per high impact climate sector, activities negatively affecting biodiversity-sensitive areas, emissions to water, hazardous waste and radioactive waste ratio, water usage and recycling (optional choice), violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, unadjusted gender pay gap, board gender diversity, exposure to controversial weapons, excessive pay ratio (optional choice). Sovereign issuers are monitored for violations of social norms with respect to their GHG intensity.

Please find below performance data with respect to 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	<b>2,047.50</b>	99%
Scope 2 GHG	Scope 2 GHG emissions	<b>957.5</b>	99%
Scope 3 GHG	From 1 January 2023, Scope 3 GHG emissions	<b>60,020</b>	99%
Total GHG	Total GHG emissions	<b>63,025</b>	99%
Carbon footprint	Carbon footprint	<b>456.41</b>	99%
GHG intensity level	GHG intensity of companies	<b>753.9125</b>	99%
Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	<b>7%</b>	99%
Share of non-renewable energy consumption	Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	<b>70%</b>	99%
Share of non-renewable energy production	Share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	<b>22%</b>	99%
Energy consumption intensity per high impact climate sector – Total	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – Total	<b>0.15</b>	99%
Energy consumption intensity per high impact climate sector – NACE Sector A	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector A (Agriculture, forestry and fishing)	<b>N/A</b>	99%
Energy consumption intensity per high impact climate sector – NACE Sector B	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector B (Mining and quarrying)	<b>0.8125</b>	99%
Energy consumption intensity per high impact climate sector – NACE Sector C	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector C (Manufacturing)	<b>0.1575</b>	99%
Energy consumption intensity per high impact climate sector – NACE Sector D	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector D (Electricity, gas, steam and air conditioning supply)	<b>1.32</b>	99%
Energy consumption intensity per high impact climate sector – NACE Sector E	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector E (water supply, sewerage, waste management and remediation activities)	<b>N/A</b>	99%
Energy consumption intensity per high impact climate sector – NACE Sector F	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector F (Construction)	<b>N/A</b>	99%
Energy consumption intensity per high impact climate sector – NACE Sector G	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	<b>0.0275</b>	99%
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)	<b>4.52</b>	99%
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)	<b>0.01</b>	99%
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	<b>0%</b>	99%
Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	<b>68.94</b>	99%

Hazardous waste	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	<b>54.665</b>	99%
Water usage and recycling	Average amount of water consumed and recovered by the investee companies (in cubic metres) per million EUR of revenue	<b>566.65</b>	99%
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	<b>0%</b>	99%
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	<b>45%</b>	99%
Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	<b>85%</b>	99%
Board gender diversity	Average ratio of female to male board members in investee companies	<b>32%</b>	99%
Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	<b>0%</b>	99%
Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual).	<b>101.4</b>	99%

### ...and compared to previous periods?

N/A.

### How did the sustainable investments not cause significant harm to any sustainable investment objective?

All the fund's investments (not just sustainable investments) are assessed for compliance with global standards on environmental protection, human rights, employment practices and anti-corruption measures, through controversy screening. Specifically, the 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.

In addition, the fund ensures that these activities do no significant harm to the environmental and social objective.

The aim of engagement on controversial behaviour is to put a stop to companies violating the UNGC Guiding Principles and/or OECD Guidelines for Multinational Enterprises and to establish suitable management systems to prevent such breaches from recurring. Where engagement efforts are unsuccessful, the company is considered excluded. Cases warranting enhanced engagement are selected every quarter based on need. The emphasis placed on the engagement process may differ depending on the level of exposure.

### **How were the indicators for adverse impacts on sustainability factors 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.

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

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.

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



*The EU Taxonomy sets out a “do no significant harm” principle by which 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 consider principal adverse impacts on sustainability factors?**

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 to water, hazardous waste and radioactive waste ratio, water usage and recycling (optional choice), violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, unadjusted gender pay gap, board gender diversity, exposure to controversial weapons, excessive pay ratio (optional choice). Sovereign issuers are monitored for violations of social norms with respect to their GHG intensity.

The principal adverse impacts of investment decisions on sustainability factors are set out in table 1 (in accordance with Annex 1 to Commission Delegated Regulation (EU) 2022/1288) of Carmignac’s policy on this subject. This information is disclosed in the annual reports.

As part of its PAI strategy, Carmignac identifies companies that are performing worse than the benchmark on PAI indicators. Our third-party data provider Impact Cubed allows us to track the impact of our funds for each PAI indicator.

Identifying companies that are performing worse than the index in terms of PAI allows us to engage in dialogue to ensure that they are committed to reducing their impact. We identified Total Energies as one of the main contributors to Carmignac Investissement Latitude's underperformance on the hazardous waste performance indicator. In 2022, we engaged with Total Energies SA, following our vote against the company's sustainable development and climate transition plan at the 2022 AGM. We contacted the company in June to share our views and the areas for improvement identified. These included:

- 1) a clearer way to indicate their CO<sub>2</sub> reduction targets for scopes 1 and 2 emissions
- 2) a revision of their medium-term forecasts of CapEx allocation to green and renewable energy.

Engaging in this way also provided us with an opportunity to raise the environmental and social controversies affecting the company. Given the company's commitments to respecting communities and biodiversity, we asked for more clarity on how the company intends to exercise sufficient oversight and ensure that it is acting in accordance with its long-term commitments, while informing investors of compliance with these commitments. We will follow up with Total Energies on this PAI and ensure that appropriate measures are implemented.

## What were the top investments of this financial product?

Please find below the top 15 investments for 2022 based on average month-end data:

The list includes investments constituting the financial product's largest holdings over the reference period, namely:

Largest investments	Sector	% Assets	Country
HERMES INTERNATIONAL	Consumer discretionary	3.36%	France
MICROSOFT CORP	Information technology	3.08%	USA
SCHLUMBERGER	Energy	2.91%	USA
AMAZON.COM INC	Consumer discretionary	2.55%	USA
JD.COM INC	Consumer discretionary	2.54%	China
NOVO NORDISK AS	Healthcare	2.47%	Denmark
ELI LILLY & CO.	Healthcare	2.42%	USA
T-MOBILE US INC	Telecoms	2.33%	USA
DANAHER CORP	Healthcare	2.12%	USA
INTERCONTINENTAL EXCHANGE	Finance	2.11%	USA
PALO ALTO NETWORKS INC	Information technology	2.07%	USA
UBER TECHNOLOGIES INC	Industry	2.03%	USA
ESSILOR INTL	Consumer discretionary	1.99%	France
AIRBUS GROUP	Industry	1.88%	France
ORACLE	Information technology	1.79%	USA

## What was the proportion of sustainability-related investments?

As at 30 December 2022, 61% of the fund's net assets were invested in sustainable companies as defined above.

## What was the asset allocation?

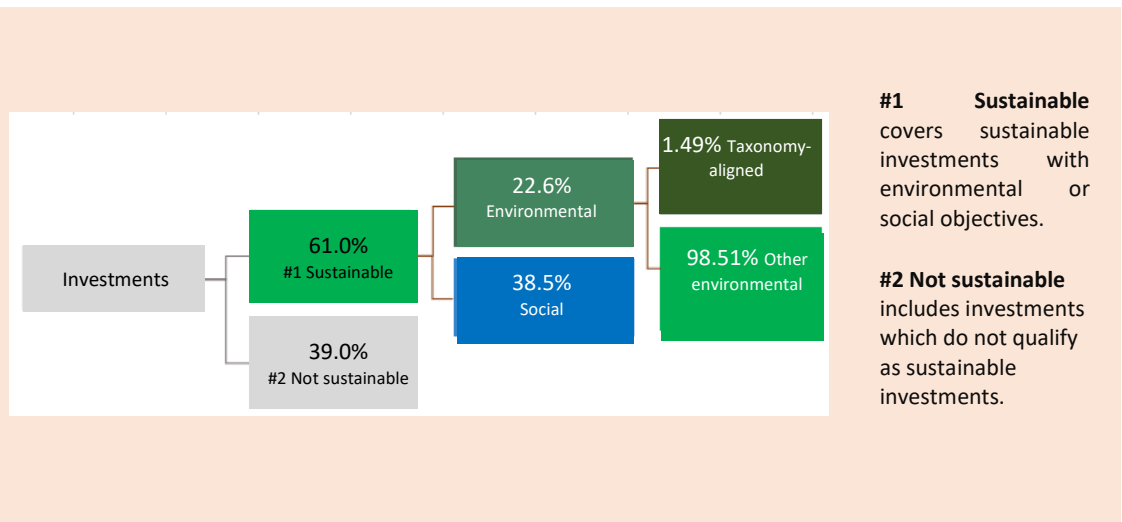
A minimum share of 50% of the fund's net assets is used to attain the fund's sustainable objective, in accordance with the binding elements of the investment strategy. As at 30 December 2022, 61% of the fund's net assets were invested in sustainable companies as defined above.

From 1 January 2023, the minimum levels of sustainable investments with environmental and social objectives (as described in the graph below) will be 5% and 15% of the Fund's net assets, respectively. As at 30 December 2022, these proportions were 22.6% and 38.5% of the Fund's net assets, respectively.

**Asset allocation** describes the share of investments in specific assets.

**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.



**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which 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 2022, based on average month-end data:

Economic sectors	% Assets
Consumer discretionary	21.9%
Healthcare	21.2%
Information technology	16.6%
Industry	9.2%
Non-cyclical consumer spending	9.1%
Finance	7.6%
Telecoms	7.2%
Energy	4.13%
Integrated Oil & Gas	1.18%
Oil & Gas Equipment & Services	2.91%
Oil & Gas Exploration & Production	0.03%
Materials	1.4%
Utilities	1.1%
Property	1.0%



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

### Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?<sup>1</sup>

Yes:

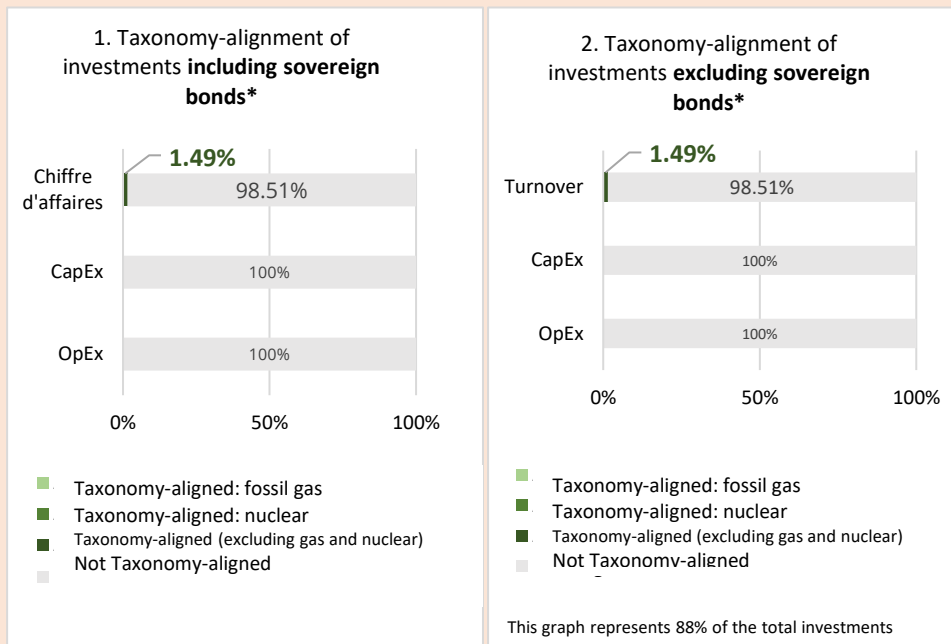
In fossil gas       In nuclear energy

No:

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.*



<sup>1</sup> 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 investments made in transitional and enabling activities?**

N/A.

- **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

N/A.



**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

Sustainable investments with an environmental objective that are not aligned with the EU Taxonomy account for 22.6% of the net assets.



**What was the share of socially sustainable investments?**

Sustainable investments with a social objective accounted for 38.5% of the net assets.

**What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?**

In addition to sustainable investments, the fund may invest in cash (and equivalent instruments) for cash management purposes. The fund may also invest in derivatives for hedging purposes.

To the extent that the fund takes short positions using derivatives with a single underlying, exclusions defined at the level of the management company apply. These derivatives 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 attain the sustainable investment objective during the reference period?**

Carmignac took the actions listed below in 2022 to support the investment process through compliance with environmental and social characteristics

**Pillar 1: ESG integration**

- Addition of extra social indicators (employee and consumer satisfaction data) to the exclusive START ESG rating process, informing analysts of material aspects that may affect the investment thesis.
- Improved capacity to monitor green, social, sustainable and sustainability-linked bonds to facilitate monitoring and future reporting in the Global Portfolio Monitoring system with a dashboard for portfolio managers on fund positions.
- Development of proprietary sovereign ESG rating models (Impact and Global) in the START interface to improve the efficiency and knowledge of the portfolio management team.
- Integration of PAI monitoring and introduction of a policy describing how information on environmental, social and human rights indicators is to be integrated into the investment rationale.
- Enhanced transparency and automated monitoring of the universe reduction process.

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

- Addition to the START proprietary ESG system of a tool mapping alignment with the UN Sustainable Development Goals, measured as a % of turnover, for every company with links to investable business activities that are directly linked to the nine SDGs we have chosen.
- Weekly monitoring of the minimum percentage of sustainable investments shared with the investment teams as part of internal ESG monitoring.

**Pillar 2: Exclusions**

- Automation of the quarterly list review process to identify companies that may be subject to strict sector or controversy exclusions, or the universe reduction process, if applicable.

**Pillar 3 Voting and engagement**

- Introduction of a “key vote” approach to prioritise companies identified for more targeted voting recommendations and potential engagement linked to voting decisions, in particular “Say on climate” votes.
- Development of a quarterly responsible management newsletter to publicly demonstrate to clients how we promote active stewardship.
- Continuation of our quarterly company engagement plan, with almost 58% of engagement efforts linked to environmental, social or governance themes.

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 extra-financial risks and considerably 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.

In 2022, we engaged with 81 companies on specific ESG matters at Carmignac level, and 19 companies at the level of this particular fund.

For example, we resumed our dialogue with Amazon, having last engaged with the company in March 2021, because it continues to face controversy over the management of the environmental and social externalities that its activities generate. We held this meeting in April and focused our engagement on the following topics:

- The role of the founder (Jeff Bezos) in the company
- The governance structure in place to manage environmental, social and ethical issues
- The treatment of employees and the company's relationship with trade unions
- Its approach to tax issues
- Its environmental performance

In addition, we asked for greater transparency on the company's circular economy information, including how it handles customer returns, the carbon footprint of those returns and donation initiatives.

We told the company that it needed to improve its overall transparency on the various environmental and social initiatives it was taking to improve practices and its image problem. After consultation with the sector analyst, this dialogue did not trigger a change in our proprietary START rating system. However, we will continue to engage with the company and monitor its environmental, social and governance (ESG) practices.



### **How did this financial product perform compared to the reference sustainable 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 to determine 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.

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

# ANNUAL REPORT

OF THE FRENCH MUTUAL FUND (FCP)  
(FONDS COMMUN DE PLACEMENT)  
CARMIGNAC INVESTISSEMENT

(For the period ended  
30 December 2022)



# Contents

Statutory Auditor’s Certification	3
Features of the fund	8
Investment policy	26
Regulatory information	31
Statutory Auditor’s Certification	74
Features of the fund	79
Investment policy	93
Regulatory information	98

**Statutory Auditor’s Certification**



**STATUTORY AUDITOR'S REPORT  
ON THE ANNUAL FINANCIAL STATEMENTS  
Financial year ended 30 December 2022  
CARMIGNAC INVESTISSEMENT**

UCITS IN THE FORM OF A FRENCH MUTUAL FUND (FCP)  
Governed by the French Monetary and Financial Code

Management company  
CARMIGNAC GESTION  
24, place Vendôme  
75001 PARIS

**Opinion**

In accordance with the assignment entrusted to us by the management company, we have audited the annual financial statements of CARMIGNAC INVESTISSEMENT, a UCITS constituted in the form of a French mutual fund (FCP), for the financial year ended 30 December 2022, as they are appended to this report.

In our opinion, the annual financial statements give, in accordance with French accounting rules and principles, a true and fair view of the financial position and assets and liabilities of the fund and of the results of its operations at the end of the financial year.

**Basis for our opinion**

***Audit framework***

We conducted our audit in accordance with the professional auditing standards applicable in France. We believe that the evidence gathered is pertinent and sufficient to serve as a basis for our opinion. Our responsibilities in light of these standards are described in this report in the section entitled "Responsibilities of the statutory auditor in relation to auditing the annual financial statements".

***Independence***

We carried out our audit in accordance with the independence rules set out in the French Commercial Code and the Code of Ethics for Statutory Auditors, for the period from 1 January 2022 to the date on which our report was issued.

---

*PricewaterhouseCoopers Audit, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex  
T: +33 (0) 1 56 57 58 59, F: +33 (0) 1 56 57 58 60, [www.pwc.fr](http://www.pwc.fr)*

Accounting firm registered with the Order of Paris – Ile de France. Auditing firm, member of the Compagnie Régionale de Versailles A simplified joint stock company with a capital of €2,510,460. Registered office: 63, rue de Villiers 92200 Neuilly-sur-Seine. RCS Nanterre 672 006 483. VAT no. FR 76 672 006 483. Siret 672 006 483 00362. APE code 6920 Z. Offices: Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Nice, Paris, Poitiers, Rennes, Rouen, Strasbourg, Toulouse.



## CARMIGNAC INVESTISSEMENT

### **Justification of the evaluations**

In accordance with the provisions of Articles L.823-9 and R.823-7 of the French Commercial Code in relation to the justification of our evaluations, we wish to highlight that the evaluations which, in our professional opinion, were the most significant in our audit of the annual financial statements, concerned the appropriateness of the accounting principles applied and the reasonableness of the significant estimates made and the overall presentation of the financial statements.

The evaluations were made in the context of the audit of the annual financial statements, taken as a whole, and the formation of the opinion expressed herein. We offer no opinion on parts of these annual financial statements taken in isolation.

### **Specific verifications**

We have also carried out the specific verifications required by laws and regulations in accordance with the professional auditing standards applicable in France.

We have no comment as to the fair presentation and conformity with the annual financial statements of the information given in the management report drawn up by the management company.

---

*PricewaterhouseCoopers Audit, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex  
T: +33 (0) 1 56 57 58 59, F: +33 (0) 1 56 57 58 60, [www.pwc.fr](http://www.pwc.fr)*

Accounting firm registered with the Order of Paris – Ile de France. Auditing firm, member of the Compagnie Régionale de Versailles A simplified joint stock company with a capital of €2,510,460. Registered office: 63, rue de Villiers 92200 Neuilly-sur-Seine. RCS Nanterre 672 006 483. VAT no. FR 76 672 006 483. Siret 672 006 483 00362. APE code 6920 Z. Offices: Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Nice, Paris, Poitiers, Rennes, Rouen, Strasbourg, Toulouse.



## CARMIGNAC INVESTISSEMENT

### **Responsibilities of the management company regarding the annual financial statements**

The management company is required to prepare annual financial statements that present a true and fair image, in accordance with French accounting rules and principles, and to establish the internal control measures that it deems necessary for producing annual financial statements free of material misstatement, whether due to fraud or error.

When producing the annual financial statements, it is incumbent on the management company to assess the ability of the fund to continue operating, and where appropriate to include the necessary information on business continuity, and apply the going concern accounting policy unless there are plans to liquidate the fund or cease trading.

The annual financial statements were prepared by the management company.

### **Responsibilities of the statutory auditor when auditing the annual financial statements**

#### ***Audit objective and approach***

We are required to produce a report on the annual financial statements. Our aim is to gain reasonable assurance that the annual financial statements taken as a whole are free of material misstatement. Reasonable assurance means a high level of assurance, albeit without any guarantee, that an audit carried out in accordance with industry standards could systematically detect every material misstatement. Misstatements may arise from fraud or error, and are considered to be material when one could reasonably expect them, either individually or cumulatively, to influence the financial decisions that readers make as a result.

As stipulated in Article L.823-10-1 of the French Commercial Code, our role as auditors is not to guarantee the viability or quality of management of the fund.

A statutory auditor exercises its professional judgement throughout any audit performed in accordance with professional standards applicable in France. Furthermore:

- It identifies and evaluates the risk that the annual financial statements may include material misstatement, whether resulting from fraud or error, defines and implements auditing procedures in response to these risks, and gathers the items it deems sufficient and appropriate as a basis for its opinion. The risk of material misstatement not being detected is considerably higher when it is the result of fraud rather than error, since fraud may involve collusion, falsification, voluntary omissions, false declarations or the circumvention of the internal control system;

---

*PricewaterhouseCoopers Audit, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex  
T: +33 (0) 1 56 57 58 59, F: +33 (0) 1 56 57 58 60, [www.pwc.fr](http://www.pwc.fr)*



## CARMIGNAC INVESTISSEMENT

- It assesses the internal control system that is relevant for the audit in order to define audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the internal control system;
- It evaluates the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by the management company, as well as the related information in the annual financial statements;
- It evaluates the appropriateness of the management company's application of the going concern accounting principle and, based on the information gathered, the existence or absence of significant uncertainty linked to events or circumstances likely to cast doubt on the fund's ability to continue its operations. This evaluation is based on the information gathered prior to the date of its report; however, it should be noted that subsequent circumstances or events may cast doubt on the continuity of its operations. If it concludes that there is a material uncertainty, it draws readers' attention to the information provided in the annual financial statements regarding this uncertainty, or if such information is not provided or not relevant, it certifies the accounts with reservations, or refuses to certify them;
- It assesses the presentation of all of the annual financial statements and evaluates whether or not the annual financial statements depict the underlying operations and events fairly.

Neuilly sur Seine, date of electronic signature

*Document authenticated by electronic signature*  
The statutory auditor PricewaterhouseCoopers Audit  
Frédéric SELLAM

2023.04.13 18:09:07 +0200

# CARMIGNAC INVESTISSEMENT 2022 ANNUAL REPORT

## Main features of the Fund

### Classification

International equities.

### Allocation of distributable income

Distributable income	“Acc” units	“Dis” units
Allocation of net income	Accumulation (dividends are recorded on an accruals basis)	Distributed or carried forward as decided by the management company
Allocation of net realised capital gains or losses	Accumulation (dividends are recorded on an accruals basis)	Distributed or carried forward as decided by the management company

### Countries in which the Fund is authorised for distribution

A CHF Acc Hdg units: Austria, Belgium, Switzerland, Germany, Spain, France, United Kingdom, Italy, Luxembourg, Netherlands and Singapore.

A EUR Acc units: Austria, Belgium, Switzerland, Germany, Spain, France, United Kingdom, Ireland, Italy, Luxembourg, Netherlands, Sweden and Singapore.

A EUR Y dis units: Austria, Switzerland, Germany, Spain, France, United Kingdom, Italy, Luxembourg, Netherlands, Sweden and Singapore.

E EUR Acc units: Austria, Switzerland, Germany, Spain, France, Italy, Luxembourg, Netherlands and Singapore.

### Investment objective

The fund’s objective is to outperform its reference indicator over a recommended investment horizon of five years.

The search for performance involves active management, primarily in equity markets, based on fundamental analysis of the companies and the portfolio manager's expectations of how economic and market conditions will evolve.

The fund also seeks to invest sustainably to generate long-term growth, and applies a socially responsible investment approach. Details of how we apply a socially responsible investment approach are set out in the “Extra-financial characteristics” section below and available at [www.carmignac.com](http://www.carmignac.com) and [https://www.carmignac.fr/en\\_GB/sustainable-investment/overview](https://www.carmignac.fr/en_GB/sustainable-investment/overview)

## Reference indicator

The reference indicator is the MSCI global international equities index, the MSCI AC WORLD NR (USD).

The MSCI AC WORLD NR (USD) index represents the largest international companies in developed and emerging countries. It is calculated by MSCI in dollars, with net dividends reinvested, then converted into euro (Bloomberg code: NDUEACWF).

This fund is an actively managed UCITS. An actively managed UCITS is one where the investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy. The fund's investment universe is at least partly derived from the indicator. The fund's investment strategy is not dependent on the reference indicator. Therefore, the Sub-fund's holdings and weightings may substantially deviate from the composition of the indicator. There is no limit set on the level of such deviation.

The reference indicator has not been entered in the register of administrators and benchmarks kept by ESMA since 1 January 2021, although this has no effect on the Fund's use of the reference indicator, in accordance with ESMA position 80-187-610. For more information on this index, please visit the administrator's website: <https://www.msci.com>. The management company may replace the reference indicator if it undergoes substantial modifications or ceases to be published.

## Investment strategy

### STRATEGIES USED

At least 60% of the fund's net assets are permanently exposed to Eurozone, international and emerging market equities of all capitalisations, listed on financial markets all over the world.

The fund is free to vary its foreign exchange market exposure within the limit of 125% of the net assets.

The investment strategy is mainly followed through a portfolio of direct investments in securities and derivatives on equity markets, and to a lesser extent on foreign exchange, fixed income, credit markets and commodity indices, without restriction in terms of allocation by region, sector, type or size of security.

As the fund is actively managed its asset allocation may differ substantially from that of its reference indicator. The investment policy spreads risk by diversifying investments. Likewise, the portfolio established on the basis of detailed financial analysis may vary considerably from the weightings of the reference indicator in terms of geographic regions and sectors.

Where necessary, the allocation of the portfolio between the different asset classes (equities, fixed income, currencies, etc.) and fund categories (equities, mixed, bonds, money market, etc.) may vary according to the portfolio manager's expectations.

### Equity strategy:

The equity strategy is determined on the basis of a macroeconomic analysis and a detailed financial analysis of the companies on which the Fund may open positions, whether long or short. This determines the fund's overall level of equity exposure. The fund invests on all international markets.



These investments are determined by:

- The selection of securities, which results from an in-depth financial analysis of the company, regular meetings with the management, and close monitoring of business developments. The main criteria used are growth prospects, quality of management, yield and asset value,
- Allocating equity exposure to different economic sectors.
- Allocating equity exposure to different regions.

Foreign exchange strategy:

The portfolio manager's decisions regarding exposure to the foreign exchange market are made on the basis of a global macroeconomic analysis, in particular of the outlook for growth, inflation and monetary and fiscal policy of the different economic zones and countries. This determines the fund's overall level of exposure to each currency. The fund invests on all international markets.

These investments on the foreign exchange market, which depend on expectations of changes in different currencies, are determined by:

- The currency allocation across the various regions through exposure generated by directly held securities denominated in foreign currencies,
- The currency allocation between the various regions directly through currency derivatives.

Fixed income strategy:

Investments on fixed income markets are chosen on the basis of expected international macroeconomic scenarios and an analysis of the various central banks' monetary policies. This determines the fund's overall modified duration. The fund invests on all international markets.

These investments on fixed income markets are determined by:

- The allocation of modified duration between the different fixed income markets;
- The allocation of modified duration between the different segments of the yield curve.

Credit strategy:

Investments on credit markets are chosen on the basis of expected international macroeconomic scenarios and financial research into issuers' solvency. This determines the fund's overall level of credit exposure. The fund invests on all international markets.

These investments on credit markets are determined by:

- Selecting securities on the basis of an internal analysis, itself largely based on profitability, creditworthiness, liquidity, maturity and, for distressed issuers, the prospect of recovering the investment,
- Government/corporate debt allocation,
- The credit allocation to debt securities and public or private money market instruments or corporate bonds according to rating, sector, subordination.

For all of these strategies (excluding credit), in addition to long positions:

- The portfolio manager may also open short positions on underlying assets eligible for the portfolio if they feel that the market is overvaluing these underlying assets, using eligible instruments.
- The portfolio manager also pursues relative value strategies by combining long and short positions on underlying assets eligible for the portfolio.
- The investment universe for all strategies includes emerging markets within the limits stipulated in the section "Description of asset categories and financial contracts as well as their contribution to the investment objective being achieved".

## Extra-financial characteristics

The fund is classed as a financial product, as described in Article 9 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (“SFDR”), that has sustainable investment as its objective, since it invests primarily (i.e. more than 50% of the fund’s net assets) in the equities of companies that generate more than 50% of their revenue from goods and services linked to commercial activities that are positively aligned with one of the 9 (out of 17) United Nations Sustainable Development Goals (the “9 UNSDGs”) selected for this fund: (1) Poverty eradication, (2) Zero hunger, (3) Health and well-being, (4) Quality education, (6) Clean water and sanitation, (7) Clean and affordable energy, (9) Industry, innovation and infrastructure, (11) Sustainable cities and communities (12) Responsible consumption and production.

To find out more about the United Nations Sustainable Development Goals, please visit <https://www.un.org/sustainabledevelopment/>.

### TYPE OF APPROACH

The fund’s approach is focussed on obtaining positive results linked to the Social Development Goals. The fund also applies an active voting and engagement policy to its investments. For more information, please refer to the shareholder engagement policy available on the Carmignac website.

### IMPLEMENTATION OF EXTRA-FINANCIAL ANALYSIS IN THE INVESTMENT STRATEGY

Extra-financial analysis is applied to the investment strategy through the following processes, which actively reduce the fund’s investment universe by at least 20%. The investment universe is assessed with regards to the ESG risks and opportunities recorded in Carmignac’s internal proprietary research tool, START(System for Tracking and Analysis of a Responsible Trajectory).

#### Negative screening:

- (1) Companies whose ESG ratings reflect high ESG risk are excluded from the fund’s investment universe. These exclusions are based on the ESG ratings of our proprietary internal research tool, START, and the MSCI ratings for these companies: companies with an MSCI rating in the environmental or social pillars of below 1.4 and companies with an overall MSCI rating of B or CCC are excluded from the fund’s investment universe. However, a company with a higher rating than C in our START platform (ratings range of A to E) may be added back into the fund’s investment universe following ad hoc qualitative research and discussions with the company’s management.
- (2) The fund also applies restrictive, negative screening at company level to exclude certain sectors and activities from the fund’s investment universe.

Exclusions from the investment universe as a result of the negative screening implemented by the Management Company are reviewed on a quarterly basis.

#### Positive screening:

The fund seeks to invest in companies making a positive contribution to the 9 UNSDGs. Gross revenue data for companies is mapped by business activity. An investment is deemed compliant if more than 50% of the company’s turnover is generated in business activities that make a positive contribution to one of the nine Sustainable Development Goals.

To find out more about the alignment and categories of Sustainable Development Goals, please visit the website: <https://www.un.org/sustainabledevelopment/>, or refer to the Responsible Investment section of the Carmignac website.

#### **EXAMPLES OF EXTRA-FINANCIAL CRITERIA (NON-EXHAUSTIVE)**

- Environmental: supply and suppliers, energy type and efficiency, water and waste management, carbon emissions data, average water consumption.
- Social: human capital policies, protection of client data and cybersecurity.
- Governance: regulation, company governance, employee satisfaction, staff turnover, independence of the board of directors, directors' remuneration policy, treatment of minority shareholders, the corporate approach to accounting, tax and anti-corruption practices.

#### **DO NO SIGNIFICANT HARM**

The fund will not invest in, and will exclude, any investments that may cause significant harm to the sustainable investment objective. To this end, all investments are assessed to establish any detrimental impacts and compliance with global standards on environmental protection, human rights, employment practices and anti-corruption measures. For more information, please refer to the exclusion policy available on the Responsible Investment section of the Carmignac website.

#### **WARNING ON THE LIMITATIONS OF THE APPROACH**

The fund's sustainability risk may differ from that of the reference indicator.

#### **INVESTMENT UNIVERSE TO WHICH EXTRA-FINANCIAL ANALYSIS IS APPLIED**

Extra-financial analysis is applied to at least 90% of the portfolio's equity holdings, and corporate and sovereign bond issuers.

#### **CARBON EMISSIONS**

The fund aims to keep its carbon emissions 30% below the reference indicator's, as measured by carbon intensity (tonnes of CO<sub>2</sub>e/USD million in revenue; aggregated at portfolio level (Scope 1 and 2 of the GHG Protocol)). The results are presented in the company's annual report. For more information, please refer to the climate policy available in the Responsible Investment section of the Carmignac website.

#### **CHOICE OF REFERENCE INDICATOR**

The fund has chosen its reference indicator (as described above in the "Reference Indicator" section) as a benchmark. The reference indicator is a general market index representing the fund's investment universe; it is used to compare the fund's sustainability performance, including carbon emissions, with that of the reference indicator. The results are published each month in the Responsible Investment section of the Carmignac website. The description, method and composition of the reference indicator can be found in the Reference Indicator section above.

#### **TAXONOMY**

With regards to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (referred to as the "Taxonomy Regulation"), the fund's investments make a contribution to the following environmental objectives: climate change mitigation and adaptation.

The fund also invests in companies making a positive contribution to the Sustainable Development Goals described above.

The revenues of companies in which the fund invests are analysed as a key performance indicator to assess whether their activities are eligible for the Taxonomy Regulation. These companies are subject to an analysis of the minimum guarantees 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. In addition, the fund ensures that these activities do no significant harm to the environmental objectives.

The fund assesses whether a business activity makes a substantial contribution to climate change adaptation or to climate change mitigation when the issuing companies make the technical screening criteria or data necessary for this assessment available, or when these are not required. If these technical screening criteria are required but not yet made available by the issuing companies, the fund will not be able to properly carry out this assessment. In this case, the fund nevertheless undertakes an analysis of the minimum guarantees and ensures no significant harm is done to the environmental objectives.

The proportion of the fund's investments that contribute to the two environmental objectives mentioned above is currently low. The fund anticipates an increase in the proportion of investments aligned with the Taxonomy Regulation once it is in a position to identify more companies with business activities aligned with the environmental objectives defined in the Taxonomy Regulation, as companies make the technical screening criteria and data necessary for this analysis available to the fund.

## **Description of asset categories and financial contracts as well as their contribution to the investment objective being achieved**

### **EQUITIES**

At least 51% of the fund's net assets are invested in equities. Through direct security investments or derivatives, at least 60% of the fund's net assets are permanently exposed to Eurozone and/or international equity markets, with a potentially significant portion allocated to emerging countries, especially mainland China – albeit within the limit of 10%. Up to 10% of the fund's net assets may be invested in unlisted securities selected by the portfolio manager.

The fund invests in stocks of any capitalisation, from any sector and any region.

### **CURRENCIES**

The fund may use currencies other than the fund's valuation currency for exposure, hedging and relative value purposes. The fund may invest in futures and options on regulated, organised or over-the-counter markets in order to generate exposure to currencies other than its valuation currency or to hedge the fund against foreign exchange risk. The fund's net currency exposure may amount to 125% of net assets and may differ from that of its reference indicator and/or equity and bond portfolio.

### **DEBT SECURITIES AND MONEY MARKET INSTRUMENTS**

To achieve its investment objective, the fund may invest in negotiable debt securities, money market instruments and fixed or floating rate, covered or uncovered bonds, which may be linked to inflation in the Eurozone and/or international – including emerging – markets. The fund may invest in corporate or government issuers.

The portfolio's total modified duration, defined as the change in portfolio capital (as %) for a change in interest rates of 100 basis points, may vary from -4 to +5.

The weighted average rating of the debt instruments held directly by the fund or through investment in funds shall be at least investment grade according to at least one of the major rating agencies. The portfolio manager may invest in debt instruments rated below investment grade, or which are unrated. In the latter case, the company carries out its own analysis and assessment of creditworthiness.

The management company will carry out its own analysis of the risk/reward profile of the securities (return, credit rating, liquidity, maturity). As a result, the decision to buy, hold or sell a security (particularly where the rating has changed) is not solely based on the rating criteria, but also reflects an internal analysis of the credit risks and market conditions carried out by the management company.

There are no allocation restrictions between corporate and government issuers, nor on the maturity or duration of assets chosen.

## **DERIVATIVES**

In order to achieve its investment objective, the fund may invest in futures traded on Eurozone and international – including emerging – regulated, organised or over-the-counter markets for exposure, relative value or hedging purposes.

The derivatives liable to be used by the portfolio manager include options (vanilla, barrier, binary), futures, forwards, forward exchange contracts, swaps (including performance swaps), swaptions and CFDs (contracts for difference), involving one or more risks/underlying instruments (directly held securities, indices, baskets) in which the portfolio manager may invest.

These derivatives allow the portfolio manager to expose the fund to the following risks, while respecting the portfolio's overall constraints:

- Equities (up to 100% of the net assets),
- Currencies,
- Fixed income,
- Dividends,
- Volatility and variance (up to 10% of the net assets),
- Commodities through eligible financial contracts for up to 20% of the net assets,
- ETFs (financial instruments).

## **STRATEGY FOR USING DERIVATIVES TO ACHIEVE THE INVESTMENT OBJECTIVE**

Derivatives of equities, equity indices and baskets of equities or equity indices are used to gain long or short exposure, or hedge exposure to, an issuer, group of issuers, economic sector or region, or simply adjust the fund's overall exposure to equity markets, depending on the country, region, economic sector, issuer or group of issuers.

They are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions.

Currency derivatives are used to gain long or short exposure, hedge exposure to a currency, or simply adjust the fund's overall exposure to currency risk. They may also be used to pursue relative value strategies, where the fund takes simultaneous long and short positions on foreign exchange markets. The fund also holds forward exchange contracts traded over-the-counter to hedge against currency risk on hedged units denominated in currencies other than the euro.

Interest rate derivatives are used to gain long or short exposure, hedge against interest rate risk, or simply adjust the portfolio's modified duration. Interest rate derivatives are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on different fixed income markets, depending on the country, region or yield curve segment.

Volatility or variance instruments are used to gain long or short exposure to market volatility, to hedge equity exposure or to adjust the portfolio's overall exposure to market volatility or variance. They are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on market volatility.

Dividend derivatives are used to gain long or short exposure to the dividend of an issuer or group of issuers, or to hedge the dividend risk on an issuer or group of issuers, dividend risk being the risk that the dividend of a share or equity index is not paid as anticipated by the market. They are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on equity market dividends.

Commodity derivatives are used to gain long or short exposure to commodities, to hedge commodity exposure, or to adjust the portfolio's commodity exposure. They are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on commodities.

Overall exposure to derivatives is controlled by combining leverage, defined as the sum of gross nominal amounts of derivatives without netting or hedging, with the fund's VaR limit (cf. section VI. "Overall risk").

Derivative transactions may be concluded with counterparties selected by the management company in accordance with its "Best Execution/Best Selection" policy and the approval procedure for new counterparties. These counterparties are credit institutions or investment companies established in a European Union member state, with a minimum credit rating of BBB- (or equivalent) from at least one of the main credit rating agencies. Derivatives are subject to guarantees; the section entitled "Contracts as Collateral" contains information on how these work and on their characteristics. It should be noted that these counterparties have no discretionary decision-making powers over the composition or management of the fund's portfolio or over the underlying assets of financial derivative instruments.

#### **SECURITIES WITH EMBEDDED DERIVATIVES**

The fund may invest in securities with embedded derivatives (particularly convertible bonds, callable/puttable bonds, credit-linked notes (CLN), EMTN, warrants and subscription certificates resulting from corporate actions involving the award of this type of security) traded on regulated, organised or over-the-counter Eurozone and/or international markets.

These securities with embedded derivatives allow the portfolio manager to expose the fund to the following risks, while respecting the portfolio's overall constraints:

- Equities (up to 100% of the net assets),
- Currencies,
- Fixed income,
- Dividends,
- Volatility and variance (up to 10% of the net assets),
- Commodities through eligible financial contracts for up to 20% of the net assets,
- ETFs (financial instruments).

#### **STRATEGY FOR USING SECURITIES WITH EMBEDDED DERIVATIVES TO ACHIEVE THE INVESTMENT OBJECTIVE**

The portfolio manager uses securities with embedded derivatives, as opposed to the other derivatives mentioned above, to optimise the portfolio's exposure or hedging by reducing the cost of using these financial instruments or gaining exposure to several performance drivers.

The risk associated with this type of investment is limited to the amount invested for the purchase of the securities with embedded derivatives.

The amount of this type of investment in securities with embedded derivatives, excluding contingent convertible bonds and callable/puttable bonds, may not exceed 10% of the net assets.

The portfolio manager may invest up to 10% of the net assets in contingent convertible bonds ("CoCos"). These securities often deliver a higher return (in exchange for higher risk) than conventional bonds due to their specific structure and the place they occupy in the capital structure of the issuer (subordinated debt). They are issued by banks under the oversight of a supervisory authority. They may have bond and equity features, being hybrid convertible instruments. They may have a safeguard mechanism that turns them into ordinary shares if a trigger event threatens the issuing bank.

The fund may also invest up to 49% of its net assets in callable bonds and puttable bonds. These negotiable debt securities have an optional component allowing for early redemption subject to certain conditions (holding period, occurrence of a specific event, etc.) on the initiative of the issuer (in the case of callable bonds) or at the request of the investor (in the case of puttable bonds).

#### **UCIS AND OTHER INVESTMENT FUNDS**

The fund may invest up to 10% of its net assets in:

- Units or shares of French or foreign UCITS;
- Units or shares of French or European AIFs;
- Foreign investment funds.

Provided that the foreign UCITS, AIF or investment fund meets the criteria of Article R214-13 of the French Monetary and Financial Code.

The fund may invest in funds managed by Carmignac Gestion or an affiliated company. The fund may use trackers, listed index funds and exchange traded funds.

#### **DEPOSITS AND CASH**

The fund may use deposits in order to optimise its cash management and to manage the various subscription or redemption settlement dates of the underlying funds. These trades are made within the limit of 20% of the net assets. This type of transaction will be made on an exceptional basis.

The fund may hold cash on an ancillary basis, in particular in order to meet its redemption obligations in relation to investors.

Cash lending is prohibited.

#### **CASH BORROWING**

The fund may borrow cash, in particular to cover investment/disinvestments and subscriptions/redemptions. As the fund is not intended to be a structural borrower of cash, these loans will be temporary and limited to 10% of the fund's net assets.

## TEMPORARY PURCHASE AND SALE OF SECURITIES

For efficient portfolio management purposes, and without deviating from its investment objectives, the fund may allocate up to 20% of its net assets to temporary purchases/sales (securities financing transactions) of securities eligible for the fund (essentially equities and money market instruments). These trades are made to optimise the fund's income, invest its cash, adjust the portfolio to changes in the assets under management, or implement the strategies described above. These transactions consist of:

- Securities repurchase and reverse repurchase agreements,
- Securities lending/borrowing.

The expected proportion of assets under management that may be involved in such transactions is 10% of the net assets.

The counterparty to these transactions is CACEIS Bank, Luxembourg Branch. CACEIS Bank, Luxembourg Branch, does not have any power over the composition or management of the fund's portfolio.

Within the scope of these transactions, the fund may receive/give financial guarantees (collateral); the section entitled "Collateral management" contains information on how these work and on their characteristics.

Additional information on fees linked to such transactions appears under the heading "Fees and expenses".

## Contracts constituting financial guarantees

Within the scope of OTC derivatives transactions and temporary purchases/sales of securities, the fund may receive or give financial assets constituting guarantees with the objective of reducing its overall counterparty risk.

The financial guarantees shall primarily take the form of cash in the case of OTC derivatives transactions, and cash and government bonds/Treasury bills in the case of temporary purchases/sales of securities. All financial guarantees received or given are transferred with full ownership.

The counterparty risk inherent in OTC derivatives transactions, combined with the risk resulting from temporary purchases/sales of securities, may not exceed 10% of the Fund's net assets where the counterparty is one of the credit institutions defined in the current regulations, or 5% of its assets in other cases.

In this regard, any financial guarantee (collateral) received and serving to reduce counterparty risk exposure shall comply with the following:

- It shall take the form of cash or bonds or treasury bills (of any maturity) issued or guaranteed by OECD member states, by their regional public authorities or by supranational institutions and bodies with EU, regional or worldwide scope;
- It shall be held by the Custodian of the fund or by one of its agents or a third party under its supervision or by any third-party custodian subject to prudential supervision and which is not linked in any way to the provider of the financial guarantees;
- In accordance with the regulations in force, it shall at all times fulfil liquidity, valuation (at least daily), issuer credit rating (at least AA-), counterparty correlation (low) and diversification criteria, and exposure to any given issuer shall not exceed 20% of the net assets;
- Financial guarantees received in the form of cash shall be mainly deposited with eligible entities and/or used in reverse repurchase transactions, and to a lesser extent invested in first-rate government bonds or treasury bills and short-term money market funds.



Government bonds and treasury bills received as collateral are subject to a discount of between 1% and 10%. The management company agrees this contractually with each counterparty.

## Risk profile

The fund is invested mainly in financial instruments selected by the management company. The performance of these instruments depends on the evolution and fluctuations of the market. The risk profile of the fund is suitable for an investment horizon of over five years.

The risk factors described below are not exhaustive. It is up to each investor to analyse the risk associated with such an investment and to form his/her own opinion independent of CARMIGNAC GESTION, where necessary seeking the opinion of any advisers specialised in such matters in order to ensure that this investment is appropriate in relation to his/her financial situation.

**a) Risk associated with discretionary management:** Discretionary management is based on the expected evolution of the financial markets. The fund's performance will depend on the companies selected and asset allocation chosen by the management company. There is a risk that the management company may not invest in the best performing companies.

**b) Risk of capital loss:** The portfolio does not guarantee or protect the capital invested. A capital loss occurs when a unit is sold at a lower price than that paid at the time of purchase.

**c) Equity risk:** As the fund is exposed to equity market risk, the net asset value of the fund may decrease in the event of an equity market upturn or downturn.

**d) Currency risk:** Currency risk is linked to exposure – through investments and the use of forward financial instruments – to a currency other than the fund's valuation currency. The fluctuations of currencies in relation to the euro may have a positive or negative influence on the net asset value of the fund. For units denominated in a currency other than the euro, the currency risk linked to fluctuations in the euro versus the valuation currency is residual thanks to systematic hedging. This hedging may generate a performance differential between units in different currencies.

**e) Emerging markets risk:** The operating and supervision conditions of these markets may deviate from the standards prevailing on the major international markets, and price variations may be high.

**f) Interest rate risk:** Interest rate risk is the risk that the net asset value may fall in the event of a change in interest rates. When the modified duration of the portfolio is positive, a rise in interest rates may lead to a reduction in the value of the portfolio. When the modified duration of the portfolio is negative, a fall in interest rates may lead to a reduction in the value of the portfolio.

**g) Credit risk:** Credit risk is the risk that the issuer may default. Should the quality of issuers decline, for example in the event of a downgrade in their rating by the financial rating agencies, the value of the bonds may drop and lead to a fall in the fund's net asset value.

**h) Liquidity risk:** The markets in which the fund participates may be subject to temporary illiquidity. These market distortions could have an impact on the pricing conditions under which the fund may be caused to liquidate, initiate or modify its positions.

**i) Risk attached to investments in China:** Investments in China are exposed to political and social risk (restrictive regulations that could be changed unilaterally, social unrest, etc.), economic risk due to the legal and regulatory environment being less developed than in Europe, and stock market risk (volatile and unstable market, risk of sudden suspension of trading, etc.). The fund is exposed to the risk associated with the RQFII licence and status, which was allocated to Carmignac Gestion in 2014 on behalf of funds managed by the group's management companies. Its status is subject to ongoing review by the Chinese authorities and may be revised, reduced or withdrawn at any time, which may affect the fund's NAV. The fund is also exposed to the risk associated with investments made via the Hong Kong Shanghai Connect (Stock Connect) platform, which makes it possible to invest through the Hong Kong market in more than 500 stocks listed in Shanghai. This system inherently involves higher counterparty and securities delivery risks.

**j) Risk associated with high yield bonds:** A bond is considered a high yield bond when its credit rating is below investment grade. The value of high yield bonds may fall more substantially and more rapidly than other bonds and negatively affect the net asset value of the fund, which may decrease as a result.

**k) Risk associated with investment in contingent convertible bonds (CoCos):** Risk related to the trigger threshold: these securities have characteristics specific to them. The occurrence of the contingent event may result in a conversion into shares or even a temporary or definitive writing off of all or part of the debt. The level of conversion risk may vary, for example depending on the distance between the issuer's capital ratio and a threshold defined in the issuance prospectus. Risk of loss of coupon: with certain types of CoCo, payment of coupons is discretionary and may be cancelled by the issuer. Risk linked to the complexity of the instrument: as these securities are recent, their performance in periods of stress has not been established beyond doubt. Risk linked to late or non repayment: contingent convertible bonds are perpetual instruments repayable only at predetermined levels with the approval of the relevant authority. Capital structure risk: unlike with the standard capital hierarchy, investors in this type of instrument may suffer a capital loss, which holders of shares in the same issuer would not incur. As with the high yield bond market, the liquidity of contingent convertible bonds may be significantly affected in the event of market turmoil.

**l) Risk associated with commodity indices:** Changes in commodity prices and the volatility of this sector may cause the net asset value to fall.

**m) Capitalisation risk:** The fund may be exposed to small and mid-cap equity markets. As there are generally fewer small and mid-cap stocks listed on stock exchanges, market movements are more pronounced than in the case of large cap stocks. The net asset value of the fund may therefore be affected.

**n) Counterparty risk:** Counterparty risk measures the potential loss in the event of a counterparty defaulting on over-the-counter financial contracts or failing to meet its contractual obligations on temporary purchases or sales of securities. The fund is exposed to it through over-the-counter financial contracts agreed with various counterparties. In order to reduce the fund's exposure to counterparty risk, the management company may establish financial guarantees in favour of the fund.

**o) Volatility risk:** The increase or decrease in volatility may lead to a fall in net asset value. The fund is exposed to this risk, particularly through derivative products with volatility or variance as the underlying instrument.

**p) Risks associated with temporary purchases and sales of securities:** The use of these transactions and management of their collateral may carry certain specific risks, such as operational risks and custody risk. Use of these transactions may therefore have a negative effect on the fund's net asset value.

**q) Legal risk:** This is the risk that contracts agreed with counterparties to temporary purchases/sales of securities, or over-the-counter forward financial instruments, may be drafted inappropriately.

**r) Risk associated with the reinvestment of collateral:** The fund does not intend to reinvest collateral received, but if it does, there would be a risk of the resultant value being lower than the value initially received.

**s) Risk associated with unlisted securities:** These securities are associated with liquidity risk due to the lack of an active market and the type of issuers; these securities also entail valuation and volatility risk given the absence of a price quotation and reference market. It may not be possible to sell these securities at the time and price initially anticipated, which may have a negative impact on the fund's net asset value.

**t) Sustainability risk:** Refers to an event or an environmental, social or governance factor that, if it were to occur, could have a significant real or potential impact on the value of investments and, ultimately, on the net asset value of the Fund.

✓ Incorporation of sustainability risk into investment decisions

The fund's investments are exposed to sustainability risks, representing a real or potential threat to maximising long-term risk-adjusted rewards. The Management Company has therefore incorporated the identification and assessment of sustainability risks into its investment decisions and risk management processes, through a three-step procedure:

**1/ Exclusion:** Investments in companies that the Management Company believes do not meet the Fund's sustainability standards are excluded. The Management Company has established an exclusion policy that, amongst other things, provides for company exclusions and tolerance thresholds for business in fields such as controversial weapons, tobacco, adult entertainment, thermal coal production and electricity generation. For more information, please refer to the exclusion policy: [https://www.carmignac.fr/fr\\_FR/responsible-investment/politiques-et-rapports-d-investissement-responsable-4738](https://www.carmignac.fr/fr_FR/responsible-investment/politiques-et-rapports-d-investissement-responsable-4738).

**2/ Analysis:** the Management Company incorporates an ESG analysis alongside a traditional financial analysis to identify sustainability risks from issuers in the investment universe, covering more than 90% of corporate bonds and equities. Carmignac's proprietary research system, START, is used by the Management Company to assess sustainability risks. For more information, please refer to the ESG incorporation policy on the Carmignac website: [https://www.carmignac.co.uk/en\\_GB/responsible-investment/template-hub-policies-reports-4528](https://www.carmignac.co.uk/en_GB/responsible-investment/template-hub-policies-reports-4528) and to details of the START system: [https://www.carmignac.fr/fr\\_FR/responsible-investment/en-pratique-4692](https://www.carmignac.fr/fr_FR/responsible-investment/en-pratique-4692).

**3/ Engagement:** The Management Company works with issuers on ESG-related matters to raise awareness and gain a better understanding of sustainability risks to portfolios. This engagement may concern a specific environmental, social or governance matter, a long-term impact, controversial behaviour or proxy voting decisions. For more information, please refer to the engagement policy: [https://www.carmignac.fr/en\\_GB/sustainable-investment/policies-and-reports](https://www.carmignac.fr/en_GB/sustainable-investment/policies-and-reports) and [https://www.carmignac.fr/en\\_GB/sustainable-investment/approach](https://www.carmignac.fr/en_GB/sustainable-investment/approach). Potential impact of sustainability risk on the fund's returns.

Sustainability risks can have adverse effects on sustainability in terms of a significant real or potential negative impact on the value of investments and net asset value of the Fund, and ultimately on investors' return on investment.

There are several ways in which the Management Company may monitor and assess the financial significance of sustainability risks on a company's financial returns:

**Environmental:** the management company believes that if a company does not take into account the environmental impact of its business and the production of its goods and services, then it may lose natural capital, incur environmental fines, or suffer lower demand for its goods and services. Where relevant, a company's carbon footprint, water and waste management, and supply chain, are therefore all monitored.

**Social:** The management company believes that social indicators are important in monitoring a company's long-term growth potential and financial stability. These policies on human capital, product safety checks and client data protection are just some of the important practices that are monitored.

**Governance:** The management company believes that poor corporate governance may present a financial risk. The independence of the board of directors, composition and skills of the executive committee, treatment of minority shareholders, and remuneration, are the key factors studied. Companies' approach to accounting, tax and anti-corruption practices is also checked.

### **Target subscribers and investor profile**

Units of this fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly on behalf of or for the benefit of a US person, as defined in Regulation S. Furthermore, units of this fund may not be offered or sold, either directly or indirectly, to US persons and/or to any entities held by one or more US persons as defined by the US Foreign Account Tax Compliance Act (FATCA).

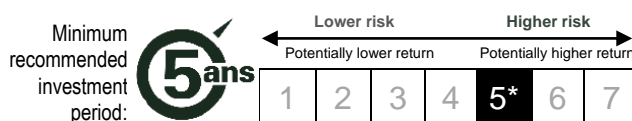
Aside from this exception, the fund is open to all investors.

The fund may be used within unit-linked life insurance policies.

The amount that is appropriate to invest in this fund depends on your personal situation. To determine their level of investment, investors are invited to seek professional advice in order to diversify their investments and to determine the proportion of their financial portfolio or their assets to be invested in this fund relative to, more specifically, the recommended investment period and exposure to the aforementioned risks, their personal assets, needs and own objectives.

The recommended investment period is five years.

## Investment policy



### Fund commentary

Carmignac Investissement (A EUR Acc units – FR0010148981) delivered a fall of -18.33% in 2022, versus -13.01% for its reference indicator (MSCI ACWI (EUR) net dividends reinvested).

Inflation returned after a decade of absence, with pent-up demand, extraordinary support from financial institutions during the pandemic years and limited supply contributing to prices rises. Swept along by events, central banks were forced to adopt restrictive policies in order to address labour market tensions and persistent inflation drivers. Monetary tightening led to a rapid rise in interest rates, which in turn led to a fall in the bond markets. As a result, the majority of equity markets went off the rails, with the most expensive segments worst affected. This was especially true of growth stocks that had benefited from Covid – energy stood out due to a change in supply and demand dynamics. As recession fears grew over the course of the year, hopes of a central bank pivot fuelled technical rebounds in risk assets. However, the markets were disappointed by the year-end meetings of the US and European central banks. With the threat of recession looming, China finally lifted its zero-Covid policy to support its economic rebound.

Our negative performance was mainly due to our positioning in the first half of the year, which was affected by our portfolio bias towards growth stocks. Nevertheless, we were able to optimise the rebound in the second half of the year by reallocating the portfolio in favour of defensive sectors (health care, consumer staples) and more cyclical sectors (energy, quality industrial stocks).

Our core portfolio is centred around companies and sectors that are well placed to withstand an economic slowdown, especially in developed countries, which face numerous challenges in 2023. Our allocation includes innovative companies in the healthcare sector, and producers of consumer staples. We are also investing in luxury goods makers with high and stable margins, as well as companies benefiting from an increasing uptake of digital technologies. We also increased the portfolio's exposure to Asia, especially the e-commerce, sportswear and real estate sectors in China, and to Japanese companies.

### Table showing the annual performance of the different Carmignac Investment units over 2022

Units	ISIN	Currency	Performance 2022	Reference indicator*
A EUR ACC	FR0010148981	EUR	-18.33%	-13.01%
E EUR ACC	FR0010312660	EUR	-18.94%	-13.01%
A EUR YDIS	FR0011269182	EUR	-18.37%	-13.01%
A CHF ACC HDG	FR0011269190	CHF	-18.71%	-13.01%

\* MSCI ACWI (EUR) net dividends reinvested

Past performance is not an indication of future results. Performance is shown net of fees (excluding any entry charges applied by the distributor).

## Main changes to the portfolio during the year

Holding	Movement ("Accounting currency")	
	Acquisitions	Disposals
ALPHABET- A	141,599,508.85	198,511,687.85
AMAZON.COM INC	146,427,352.39	190,760,873.96
Meta Platforms - A	93,867,481.79	169,065,400.47
ASTRAZENECA PLC	80,252,521.48	166,366,881.44
MICROSOFT CORP	107,110,120.63	97,283,247.30
MARVELL TECHNOLOGY INC	140,175,342.65	55,520,048.46
SALESFORCE INC	64,932,296.46	129,874,144.62
SCHLUMBERGER LTD	118,715,006.09	70,912,909.87
TESLA INC	76,231,525.11	86,998,778.29
ROCHE HOLDING AG-GENUSSSCHEIN	81,718,606.69	78,405,506.52

**Efficient portfolio and financial derivative management techniques**

a) Exposure obtained through efficient portfolio and financial derivative management techniques at 30/12/2022

- **Exposure obtained through efficient management techniques: 0.00**
  - Securities lending: 0.00
  - Securities borrowing: 0.00
  - Reverse repurchase agreements: 0.00
  - Repurchase agreements: 0.00
- **Exposure to underlying instruments achieved through financial derivatives: 9,585,479.88**
  - Forward exchange contracts: 9,585,479.88
  - Futures: 0.00
  - Options: 0.00
  - Swap: 0.00

b) Identity of counterparty/counterparties to efficient portfolio and financial derivative management techniques at 30/12/2022

Efficient management techniques	Financial derivatives (*)
	CACEIS BANK, LUXEMBOURG BRANCH

(\*) Except listed derivatives

c) Financial guarantees received by the fund in order to reduce counterparty risk at 30/12/2022

Types of instrument	Amount in portfolio currency
<b>Efficient management techniques</b>	
. Term deposits	0.00
. Equities	0.00
. Bonds	0.00
. UCITS	0.00
. Cash (*)	0.00
<b>Total</b>	<b>0.00</b>
<b>Financial derivatives</b>	
. Term deposits	0.00
. Equities	0.00
. Bonds	0.00
. UCITS	0.00
. Cash	0.00
<b>Total</b>	<b>0.00</b>

(\*) The Cash account also includes cash resulting from repurchase agreements.

d) Income and operating expenses arising from efficient management techniques from 01/01/2022 to 30/12/2022

Income and operating expenses	Amount in portfolio currency
. Income (*)	0.00
. Other income	0.00
<b>Total income</b>	<b>0.00</b>
. Direct operating expenses	0.00
. Indirect operating expenses	0.00
. Other expenses	0.00
<b>Total expenses</b>	<b>0.00</b>

(\*) Income from lending and repurchase agreements



**Transparency of securities financing transactions and the reuse of financial instruments pursuant to the SFTR in the fund's currency of account (EUR)**

The fund took no part in any trades covered by the SFTR during the year.

# Regulatory information

## Policy for the selection of intermediaries

“In its capacity as management company, Carmignac Gestion selects service providers whose execution policy guarantees the best possible result when executing orders transmitted on behalf of its UCITS or its clients. It also selects service providers to aid in making investment decisions and to execute orders. In both cases, Carmignac Gestion has defined a policy for selecting and evaluating intermediaries according to certain criteria. You can find the updated version of this policy at [www.carmignac.com](http://www.carmignac.com)”. You will also find a report on intermediary fees on this website.

## Investment strategy and transparency with regard to carbon emissions

The information required under Implementation Decree no. 2021-663 of 27 May 2021 on Article 29 of the Energy-Climate Law will be issued within six month of the end of the accounting period to supplement this annual report.

## Extra-financial characteristics

As at 30 December 2022, the financial product was classified under Article 9 of the EU SFDR. If the product is Article 8 or 9: The required regulatory information is included in the appendix to this report.

## Overall risk calculation method

The method used to determine the fund's overall risk is the relative Value-at-Risk (VaR) method, using a benchmark portfolio as a comparison (the fund's reference indicator is its benchmark portfolio) over a two-year historical horizon, with a 99% confidence threshold over 20 days. The envisaged leverage, calculated as the sum of nominal amounts without netting or hedging, is 200% but may be higher under certain conditions.

As at 30 December 2022, Carmignac Gestion uses relative VaR data in accordance with the overall portfolio risk monitoring methodology.

	VaR 99%, 20 days		
	Min	Average	Max
Carmignac Investissement	0.88	1.08	1.24

## Remuneration policy

Carmignac Gestion SA’s remuneration policy is designed to comply with European and national remuneration and governance rules as set out in the UCITS Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 and 2014/91/EU of 23 July 2014, the ESMA guideline of 14 October 2016 (ESMA/2016/575), and the AIFM Directive 2011/61/EU of the European Parliament and of the Council.

It promotes sound and effective risk management without excessive risk taking. In particular, it ties employees to the risks they take to ensure that Identified Staff are fully committed to the Company’s long-term performance.

The remuneration policy was approved by the Board of Directors of the management company. The principles of this policy are re-evaluated at least once a year by the remuneration and nominations committee and Board of Directors, and are adjusted to fit the changing regulatory framework. Details of the remuneration policy, including a description of how remuneration and benefits are calculated, as well as information on the remuneration and nominations committee, can be found at [www.carmignac.com](http://www.carmignac.com). A printout of the remuneration policy is available free of charge upon request.

**Variable part: determination and appraisal**

Variable remuneration depends on both the individual success of the employee and the performance of the Company as a whole.

The variable remuneration budget is determined on the basis of Carmignac Gestion SA’s results over the previous financial year, while ensuring that capital remains at a sufficient level. It is then distributed between the various departments according to the assessment of their performance, and within each department according to employees’ individual performance appraisals.

The amount of the variable portion allocated to each employee reflects their performance and the achievement of targets set by the Company.

These targets may be quantitative and/or qualitative and are linked to the employee’s position. They take into account individual behaviour to avoid short-term risk taking. They give particular consideration to the sustainability of action taken by the employee and its long-term benefits for the company, the employee’s personal involvement and the completion of assigned tasks.

**2021 financial year**

The implementation of the remuneration policy for 2021 has been assessed internally and independently to check compliance with the remuneration policies and procedures adopted by Carmignac Gestion’s Board of Directors.

**2022 financial year**

The annual report produced by Carmignac Gestion's Board of Directors is available on the Carmignac website ([www.carmignac.com](http://www.carmignac.com)).

2022	
Number of employees	176
Fixed salaries paid in 2022	€13,051,217.29
Total variable remuneration paid in 2022	€37,578,333.26
Total remuneration paid in 2022	€50,629,550.55
> of which risk takers	€37,123,257.99
> of which non-risk takers	€13,506,292.56

Below is the 2022 remuneration table for Carmignac Gestion Luxembourg, management company authorised by the Commission de Surveillance du Secteur Financier in Luxembourg, and to which management of the portfolio has been delegated.

2022	
Number of employees	151
Fixed salaries paid in 2022	€12,853,143.93
Total variable remuneration paid in 2022	€38,521,950.07
Total remuneration paid in 2022	€51,375,094.00
> of which risk takers	€40,339,811.05
> of which non-risk takers	€11,035,282.95

### Substantial changes during the year

As of 1 January 2022, the portfolio has undergone the following changes:

- The fund may invest up to 10% of its net assets in unlisted securities.
- SFDR 9: Conversion of the fund into a “Financial product with a sustainable investment objective” (Article 9 of the SFDR).
- Performance fee calculation method brought into line with the ESMA guidelines.

BNP S.A. became the depositary for the portfolio on 1 October 2022 following an intra-group merger.

# CARMIGNAC INVESTISSEMENT BALANCE SHEET

## ASSETS IN EUR

	30/12/2022	31/12/2021
<b>NET FIXED ASSETS</b>	<b>0.00</b>	<b>0.00</b>
<b>DEPOSITS</b>	<b>0.00</b>	<b>0.00</b>
<b>FINANCIAL INSTRUMENTS</b>	<b>2,869,483,491.91</b>	<b>3,898,949,892.09</b>
<b>Equities and similar securities</b>	<b>2,869,483,491.91</b>	<b>3,687,569,325.33</b>
Traded on a regulated or similar market	2,869,483,491.91	3,687,569,325.33
Not traded on a regulated or similar market	0.00	0.00
<b>Bonds and similar securities</b>	<b>0.00</b>	<b>0.00</b>
Traded on a regulated or similar market	0.00	0.00
Not traded on a regulated or similar market	0.00	0.00
<b>Debt securities</b>	<b>0.00</b>	<b>0.00</b>
Traded on a regulated or similar market	0.00	0.00
Transferable debt securities	0.00	0.00
Other debt securities	0.00	0.00
Not traded on a regulated or similar market	0.00	0.00
<b>Undertakings for collective investment</b>	<b>0.00</b>	<b>211,380,566.76</b>
Retail UCITS and AIFs aimed at non-professional investors and equivalent funds of other countries	0.00	211,380,566.76
Other funds aimed at non-professional investors and equivalent funds of other EU member states	0.00	0.00
Professional investment funds and equivalent funds of other EU member states and listed securitisation funds	0.00	0.00
Other professional investment funds and equivalent funds of other EU member states and unlisted securitisation funds	0.00	0.00
Other non-European funds	0.00	0.00
<b>Temporary transactions on securities</b>	<b>0.00</b>	<b>0.00</b>
Receivables on securities received under a repurchase agreement ( <i>pension</i> )	0.00	0.00
Receivables on securities lent	0.00	0.00
Securities borrowed	0.00	0.00
Securities transferred under a repurchase agreement ( <i>pension</i> )	0.00	0.00
Other temporary transactions	0.00	0.00
<b>Forward financial instruments</b>	<b>0.00</b>	<b>0.00</b>
Transactions on a regulated or similar market	0.00	0.00
Other transactions	0.00	0.00
<b>Other financial instruments</b>	<b>0.00</b>	<b>0.00</b>
<b>RECEIVABLES</b>	<b>11,944,313.66</b>	<b>96,168,593.85</b>
Currency forward exchange contracts	9,585,479.88	71,854,958.70
Other	2,358,833.78	24,313,635.15
<b>FINANCIAL ACCOUNTS</b>	<b>120,937,890.37</b>	<b>14,059,686.48</b>
Cash	120,937,890.37	14,059,686.48
<b>TOTAL ASSETS</b>	<b>3,002,365,695.94</b>	<b>4,009,178,172.42</b>

# CARMIGNAC INVESTISSEMENT BALANCE SHEET

## LIABILITIES AND OWNER'S EQUITY IN EUR

	30/12/2022	31/12/2021
<b>EQUITY</b>		
Share capital	3,258,667,979.62	3,196,344,234.84
Non-distributed prior net capital gains and losses (a)	14,396,066.24	9,393,193.03
Retained earnings (a)	0.00	0.00
Net capital gains and losses for the financial year (a,b)	-271,893,233.59	734,783,653.54
Profit/(loss) for the financial year (a,b)	-24,664,082.23	-46,642,663.59
<b>TOTAL EQUITY*</b>	<b>2,976,506,730.04</b>	<b>3,893,878,417.82</b>
<i>*Amount corresponding to the net assets</i>		
<b>FINANCIAL INSTRUMENTS</b>	<b>0.00</b>	<b>0.00</b>
Sales of financial instruments	0.00	0.00
Temporary transactions on securities	0.00	0.00
Payables on securities transferred under a repurchase agreement ( <i>pension</i> )	0.00	0.00
Payables on securities borrowed	0.00	0.00
Other temporary transactions	0.00	0.00
Forward financial instruments	0.00	0.00
Transactions on a regulated or similar market	0.00	0.00
Other transactions	0.00	0.00
<b>PAYABLES</b>	<b>25,734,084.63</b>	<b>104,132,035.77</b>
Currency forward exchange contracts	9,569,808.14	71,364,002.82
Other	16,164,276.49	32,768,032.95
<b>FINANCIAL ACCOUNTS</b>	<b>124,881.27</b>	<b>11,167,718.83</b>
Short-term bank loans	124,881.27	11,167,718.83
Borrowings	0.00	0.00
<b>TOTAL LIABILITIES</b>	<b>3,002,365,695.94</b>	<b>4,009,178,172.42</b>

(a) Including accruals and deferrals

(b) Less interim dividends paid for the financial year

# CARMIGNAC INVESTISSEMENT OFF-BALANCE SHEET

	30/12/2022	31/12/2021
<b>HEDGING TRANSACTIONS</b>	0.00	0.00
Commitment on regulated or similar markets	0.00	0.00
Commitment on OTC markets	0.00	0.00
Other commitments	0.00	0.00
<b>OTHER TRANSACTIONS</b>	0.00	0.00
Commitment on regulated or similar markets	0.00	0.00
Commitment on OTC markets	0.00	0.00
Other commitments	0.00	0.00

# CARMIGNAC INVESTISSEMENT INCOME STATEMENT

	30/12/2022	31/12/2021
<b>Income from financial transactions</b>		
Income from deposits and financial accounts	613,954.16	24,116.20
Income from equities and similar securities	27,877,854.52	17,396,467.19
Income from bonds and similar securities	0.00	0.00
Income from debt securities	0.00	0.00
Income from temporary purchases and sales of securities	100.42	2,920.37
Income from financial futures	0.00	0.00
Other financial income	0.00	0.00
<b>TOTAL (1)</b>	<b>28,491,909.10</b>	<b>17,423,503.76</b>
<b>Payables on financial transactions</b>		
Payables on temporary purchases and sales of securities	46.80	6,914.73
Payables on financial futures	0.00	0.00
Payables on financial debts	760,247.27	413,044.18
Other payables	0.00	0.00
<b>TOTAL (2)</b>	<b>760,294.07</b>	<b>419,958.91</b>
<b>PROFIT/(LOSS) ON FINANCIAL TRANSACTIONS (1 - 2)</b>	<b>27,731,615.03</b>	<b>17,003,544.85</b>
Other income (3)	0.00	0.00
Management fee and depreciation allowance (4) (*)	53,035,394.44	65,160,240.20
<b>Net profit/(loss) for the financial year (L. 214-17-1) (1 - 2 + 3 - 4)</b>	<b>-25,303,779.41</b>	<b>-48,156,695.35</b>
Income equalisation for the financial year (5)	639,697.18	1,514,031.76
Interim dividends on income paid for the financial year (6)	0.00	0.00
<b>PROFIT/(LOSS) (1 - 2 + 3 - 4 + 5 - 6)</b>	<b>-24,664,082.23</b>	<b>-46,642,663.59</b>

(\*) Research costs are included under "Management fee and depreciation allowance".



# NOTES TO THE FINANCIAL STATEMENTS OF CARMIGNAC INVESTISSEMENT

## Accounting methods and rules

The annual financial statements are drawn up in the form required by ANC Regulation 2014-01, as amended.

The general principles of accounting apply:

- a true and fair view, comparability, going concern,
- lawfulness and fairness,
- prudence,
- consistent practice from one financial year to the next.

Income from fixed income securities is recorded on the basis of accrued interest.

Purchases and sales of securities are recorded exclusive of costs.

The accounting currency of the portfolio is the euro.

There are 12 months in the financial year.

## Asset valuation rules

Financial instruments are recorded in the financial statements using the historical cost method and are entered on the balance sheet at their current value as determined by the last-known market value or, where a market does not exist, by any external means or by using financial models.

Differences between the current values used to calculate the net asset value and the historical costs of transferable securities when first included in the portfolio are recorded in "valuation differentials" accounts.

Securities that are not denominated in the currency of the portfolio are valued in accordance with the principle described below; the valuation is then converted into the currency of the portfolio on the basis of the exchange rate prevailing on the valuation day.

### DEPOSITS:

Deposits with a residual maturity of less than or equal to three months are valued using the straight-line method.

### Equities, bonds and other securities traded on a regulated or similar market:

For the calculation of the net asset value, equities and other securities traded on a regulated or similar market are valued on the basis of the last market price of the day.

Bonds and other similar securities are valued at the closing price supplied by various financial service providers. Interest accrued on bonds and other similar securities is calculated up to the date of the net asset value.

### Equities, bonds and other securities not traded on a regulated or similar market:

Securities not traded on a regulated market are valued by the management company using methods based on the market value and the yield, while taking account of recent prices observed for significant transactions.

#### **Transferable debt securities:**

Transferable debt securities and similar securities that are not traded in large volumes are valued on the basis of an actuarial method, the reference rate (as defined below) being increased, where applicable, by a differential representative of the intrinsic characteristics of the issuer:

- Transferable debt securities with a maturity of less than or equal to one year: Interbank rate in euro (Euribor);
- Transferable debt securities with a maturity exceeding one year: valued using rates for French Treasury bills (BTAN and OAT) with similar maturity dates for the longer durations.

Transferable debt securities with a residual maturity of less than three months may be valued using the straight-line method.

French treasury bills are valued on the basis of market prices, as published daily by the Bank of France or by treasury bill specialists.

#### **UCIs held by the fund:**

Units or shares of UCIs will be valued at their last-known net asset value.

#### **Temporary transactions on securities:**

Securities received under repurchase agreements are recorded as an asset under the heading "Receivables on securities received under a repurchase agreement (*pension*)" at the contract amount, plus any accrued interest receivable.

Securities transferred under a repurchase agreement are recorded as securities purchased at their current value. The payables on securities transferred under a repurchase agreement are recorded as securities sold at the value determined in the contract, plus any accrued interest payable.

Securities lent are valued at their current value and are recorded as an asset under the heading "Receivables on securities lent" at their current value, plus any accrued interest receivable.

Securities borrowed are recorded as an asset under the heading "Securities borrowed" at the contract amount and as a liability under the heading "Payables on securities borrowed" at the contract amount, plus any accrued interest payable.

#### **Forward financial instruments:**

##### *Forward financial instruments traded on a regulated or similar market:*

Forward financial instruments traded on regulated markets are valued at the settlement price of that day.

##### *Forward financial instruments not traded on a regulated or similar market:*

#### **Swaps:**

Interest rate and/or currency swaps are valued at their market value by discounting future interest payments at the interest rate and/or currency exchange rate prevailing on the market. This price is adjusted to the issuer's risk.

Index swaps are valued using an actuarial method on the basis of a reference rate provided by the counterparty.

Other swaps are valued at their market value or at a value estimated according to the terms and conditions determined by the management company.

#### **Off-balance sheet commitments:**

Futures contracts are recorded at their market value as off-balance sheet commitments on the basis of the price used in the portfolio.

Options are converted into the underlying equivalent.

Swap commitments are recorded at their nominal value or, where there is no nominal value, at an equivalent amount.

## Management fees

Management fees and operating costs cover all the charges relating to the UCI: investment, administrative, accounting, custody, distribution, audit fees, etc.

These fees are recorded in the UCI's income statement.

Management fees do not include transaction fees. Please refer to the prospectus for further details on the charges actually invoiced to the UCI.

They are recorded on a pro-rata basis each time the net asset value is calculated.

The combined total of these fees respects the limit of the net assets, as specified in the prospectus or fund rules:

FR0011269182 – A EUR Y dis units: Maximum of 1.50% inclusive of tax

FR0011269190 – A CHF Acc Hdg units: Maximum of 1.50% inclusive of tax

FR0010312660 – E EUR Acc units: Maximum of 2.25% inclusive of tax

FR0010148981 – A EUR Acc units: Maximum of 1.50% inclusive of tax

## Performance fee:

The variable management fees are calculated according to the following method:

The performance fees are based on a comparison between the performance during the financial year of each fund unit (except unhedged units) and the fund's reference indicator (the MSCI AC WORLD NR (USD), calculated in dollars by MSCI, net dividends reinvested, then converted into euro. Regarding unhedged units, performance fees are calculated on the basis of the unit's performance compared with that of the reference indicator converted into the currency of the unit.

If the performance since the beginning of the financial year exceeds the performance of the reference indicator and if no past underperformance still needs to be offset, a daily provision of up to 20% of this outperformance is established. In the event of underperformance in relation to the reference indicator, a daily amount corresponding to a maximum of 20% of this underperformance is deducted from the provision established since the beginning of the year. For the A and E units, the applicable rate for the performance fee is 20%. Any underperformance of the unit class against the reference indicator over the five-year reference period or since launch (whichever period is shorter) is made up before a performance fee becomes payable. If another year of underperformance occurred within this first five-year period and it was not made up at the end of this first period, a new period of a maximum of five years begins from this new year of underperformance. The fund's performance is represented by its gross assets, net of all fees, before provision of the performance fee and taking into account subscriptions and redemptions. The performance fee may also be payable if the unit outperformed the reference indicator but posted a negative performance.

If the fund is eligible for the booking of a performance fee, then:

- In the event of subscriptions, a system for neutralising the volume effect of these units on the performance fee is applied. This involves systematically deducting the share of the performance fee actually booked as a result of these newly subscribed units from the daily provision;
- In the event of redemptions, the portion of the performance fee provision corresponding to redeemed shares is transferred to the management company under the crystallisation principle.

The performance fee is paid to the management company in full at the end of the financial year.

A provision for research costs is set aside on each net asset value date based on an annual budget of EUR 2,648,621.

## Allocation of distributable income

### Definition of distributable income:

Distributable income is made up of:

### INCOME:

The net income for the financial year is equal to the amount of interest, arrears, premiums and prizes, dividends, director's fees and any other income relating to the securities constituting the portfolio, plus income generated by temporary cash holdings and minus the amount of management fees and interest charges on loans. This is increased by retained earnings, plus or minus the balance of the income equalisation accounts.

### Capital gains and losses:

Realised capital gains, net of fees, minus realised capital losses, net of fees, recognised during the financial year, plus net capital gains of a similar nature recognised during previous financial years and which have not been distributed or accumulated, plus or minus the balance of the capital gains equalisation account.

### Allocation of distributable income:

Unit(s)	Allocation of net income	Allocation of net realised capital gains or losses
A CHF Acc Hdg units	Accumulation	Accumulation
A EUR Acc units	Accumulation	Accumulation
A EUR Y dis units	Distributed and/or carried forward on the decision of the management company	Distributed and/or carried forward on the decision of the management company
E EUR Acc units	Accumulation	Accumulation

## CARMIGNAC INVESTISSEMENT NET ASSET CHANGES

	30/12/2022	31/12/2021
<b>NET ASSETS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<b>3,893,878,417.82</b>	<b>3,966,647,857.55</b>
Subscriptions (including subscription fees paid to the Fund)	340,837,882.54	411,005,324.79
Redemptions (after deduction of redemption fees paid to the Fund)	-558,641,868.59	-644,661,582.14
Realised gains on deposits and financial instruments	322,877,134.55	1,053,926,024.90
Realised losses on deposits and financial instruments	-757,947,544.91	-257,504,393.86
Realised gains on forward financial instruments	2,006,040.13	37,829,790.21
Realised losses on forward financial instruments	-6,019,156.09	-7,634,741.85
Transaction fees	-35,886,494.18	-40,473,753.44
Foreign exchange differences	142,215,063.21	178,830,173.23
Changes in the valuation differential of deposits and financial instruments	-341,498,803.80	-754,912,433.16
<i>Valuation differential for the financial year N</i>	<i>140,176,743.38</i>	<i>481,675,547.18</i>
<i>Valuation differential for the financial year N-1</i>	<i>-481,675,547.18</i>	<i>-1,236,587,980.34</i>
Changes in the valuation differential of forward financial instruments	0.00	-1,017,153.06
<i>Valuation differential for the financial year N</i>	<i>0.00</i>	<i>0.00</i>
<i>Valuation differential for the financial year N-1</i>	<i>0.00</i>	<i>-1,017,153.06</i>
Dividends paid in the previous financial year on net capital gains and losses	-10,161.23	0.00
Dividends paid in the previous financial year on income	0.00	0.00
Net profit/(loss) for the financial year prior to the income equalisation account	-25,303,779.41	-48,156,695.35
Interim dividend(s) paid during the financial year on net capital gains and losses	0.00	0.00
Interim dividend(s) paid during the financial year on income	0.00	0.00
Other items	0.00	0.00
<b>NET ASSETS AT THE END OF THE FINANCIAL YEAR</b>	<b>2,976,506,730.04</b>	<b>3,893,878,417.82</b>

# BREAKDOWN BY LEGAL OR ECONOMIC FORM OF THE FINANCIAL INSTRUMENTS OF CARMIGNAC INVESTISSEMENT

	Amount	%
<b>ASSETS</b>		
<b>BONDS AND SIMILAR SECURITIES</b>		
TOTAL BONDS AND SIMILAR SECURITIES	0.00	0.00
<b>DEBT SECURITIES</b>		
TOTAL DEBT SECURITIES	0.00	0.00
<b>LIABILITIES</b>		
<b>SALES OF FINANCIAL INSTRUMENTS</b>		
TOTAL SALES OF FINANCIAL INSTRUMENTS	0.00	0.00
<b>OFF-BALANCE SHEET</b>		
<b>HEDGING TRANSACTIONS</b>		
TOTAL HEDGING TRANSACTIONS	0.00	0.00
<b>OTHER TRANSACTIONS</b>		
TOTAL OTHER TRANSACTIONS	0.00	0.00

# BREAKDOWN BY INTEREST RATES OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS OF CARMIGNAC INVESTISSEMENT

	Fixed rate	%	Variable rate	%	Adjustable rate	%	Other	%
<b>ASSETS</b>								
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bonds and similar securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debt securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Temporary transactions on securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts	0.00	0.00	0.00	0.00	0.00	0.00	120,937,890.37	4.06
<b>LIABILITIES</b>								
Temporary transactions on securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts	0.00	0.00	0.00	0.00	0.00	0.00	124,881.27	0.00
<b>OFF-BALANCE SHEET</b>								
Hedging transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## BREAKDOWN BY RESIDUAL MATURITY OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS OF CARMIGNAC INVESTISSEMENT(\*)

	< 3 months	%	[3 months – 1 year]	%	[1–3 years]	%	[3–5 years]	%	>5 years	%
<b>ASSETS</b>										
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bonds and similar securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debt securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Temporary transactions on securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts	120,937,890.37	4.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>LIABILITIES</b>										
Temporary transactions on securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts	124,881.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>OFF-BALANCE SHEET</b>										
Hedging transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(\*) Positions in interest rate futures are shown according to the maturity of the underlying instrument.



## BREAKDOWN BY LISTING CURRENCY OR VALUATION CURRENCY OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS OF CARMIGNAC INVESTISSEMENT

	Currency 1 USD		Currency 2 GBP		Currency 3 DKK		Currency N OTHER(S)	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>ASSETS</b>								
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equities and similar securities	1,841,854,805.94	61.88	158,318,059.86	5.32	133,778,623.20	4.49	116,758,817.45	3.92
Bonds and similar securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debt securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
UCIs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Temporary transactions on securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Receivables	812,483.23	0.03	0.00	0.00	0.00	0.00	9,993,358.83	0.34
Financial accounts	68,279.81	0.00	15,075.63	0.00	0.00	0.00	202,038.29	0.01
<b>LIABILITIES</b>								
Sales of financial instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Temporary transactions on securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Payables	3,089,050.05	0.10	0.00	0.00	0.00	0.00	2,441,490.62	0.08
Financial accounts	105,346.96	0.00	0.14	0.00	0.07	0.00	19,534.10	0.00
<b>OFF-BALANCE SHEET</b>								
Hedging transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE OF CARMIGNAC INVESTISSEMENT

	Nature of the debit/credit	30/12/2022
<b>RECEIVABLES</b>		
	Forward currency purchases	9,585,479.88
	Subscriptions receivable	1,138,471.60
	Cash dividends and coupons	1,220,362.18
<b>TOTAL RECEIVABLES</b>		<b>11,944,313.66</b>
<b>PAYABLES</b>		
	Funds payable on forward currency purchases	9,569,808.14
	Purchases with deferred settlement	12,938,252.51
	Redemption price payable	1,106,038.75
	Fixed management fee	1,058,366.50
	Other payables	1,061,618.73
<b>TOTAL PAYABLES</b>		<b>25,734,084.63</b>
<b>TOTAL RECEIVABLES AND PAYABLES</b>		<b>-13,789,770.97</b>

## NUMBER OF CARMIGNAC INVESTISSEMENT SECURITIES ISSUED OR REDEEMED

	In units	In euro
<b>A CHF Acc Hdg units</b>		
Units subscribed during the financial year	2,721.034	456,025.38
Units redeemed during the financial year	-10,704.982	-1,806,512.55
Net balance of subscriptions/redemptions	-7,983.948	-1,350,487.17
Number of units outstanding at the end of the financial year	57,936.418	
<b>A EUR Acc units</b>		
Units subscribed during the financial year	210,904.524	325,806,194.93
Units redeemed during the financial year	-332,193.424	-518,223,100.78
Net balance of subscriptions/redemptions	-121,288.900	-192,416,905.85
Number of units outstanding at the end of the financial year	1,814,011.454	
<b>A EUR Y dis units</b>		
Units subscribed during the financial year	13,354.955	2,403,848.47
Units redeemed during the financial year	-13,050.605	-2,346,326.05
Net balance of subscriptions/redemptions	304.350	57,522.42
Number of units outstanding at the end of the financial year	128,144.973	
<b>E EUR Acc units</b>		
Units subscribed during the financial year	55,095.794	12,171,813.76
Units redeemed during the financial year	-165,074.915	-36,265,929.21
Net balance of subscriptions/redemptions	-109,979.121	-24,094,115.45
Number of units outstanding at the end of the financial year	1,386,770.070	

## CARMIGNAC INVESTISSEMENT SUBSCRIPTION AND/OR REDEMPTION FEES

	In euro
<b>A CHF Acc Hdg units</b>	
Total fees paid to the Fund	0.00
Subscription fees paid to the Fund	0.00
Redemption fees paid to the Fund	0.00
<b>A EUR Acc units</b>	
Total fees paid to the Fund	0.00
Subscription fees paid to the Fund	0.00
Redemption fees paid to the Fund	0.00
<b>A EUR Y dis units</b>	
Total fees paid to the Fund	0.00
Subscription fees paid to the Fund	0.00
Redemption fees paid to the Fund	0.00
<b>E EUR Acc units</b>	
Total fees paid to the Fund	0.00
Subscription fees paid to the Fund	0.00
Redemption fees paid to the Fund	0.00

## MANAGEMENT FEES OF CARMIGNAC INVESTISSEMENT

	30/12/2022
<b>A CHF Acc Hdg units</b>	
Guarantee fees	0.00
Fixed management fees	154,561.18
Percentage of fixed management fees	1.50
Performance fee provisions	0.00
Percentage of fixed management fee provisions	0.00
Performance fees paid to the Fund	0.00
Percentage of fixed management fees paid to the Fund	0.00
Trailer fees	0.00
<b>A EUR Acc units</b>	
Guarantee fees	0.00
Fixed management fees	42,855,350.79
Percentage of fixed management fees	1.50
Performance fee provisions	0.00
Percentage of fixed management fee provisions	0.00
Performance fees paid to the Fund	0.00
Percentage of fixed management fees paid to the Fund	0.00
Trailer fees	0.00
<b>A EUR Y dis units</b>	
Guarantee fees	0.00
Fixed management fees	339,207.63
Percentage of fixed management fees	1.50
Performance fee provisions	0.00
Percentage of fixed management fee provisions	0.00
Performance fees paid to the Fund	0.00
Percentage of fixed management fees paid to the Fund	0.00
Trailer fees	0.00

# MANAGEMENT FEES OF CARMIGNAC INVESTISSEMENT(\*)

	30/12/2022
<b>E EUR Acc units</b>	
Guarantee fees	0.00
Fixed management fees	7,037,653.46
Percentage of fixed management fees	2.25
Performance fee provisions	0.00
Percentage of fixed management fee provisions	0.00
Performance fees paid to the Fund	0.00
Percentage of fixed management fees paid to the Fund	0.00
Trailer fees	0.00

(\*) The fund paid legal fees in the context of proceedings to recover withholding taxes. These fees amount to EUR 24,000 for the year. They are not included in the management fees presented in this annex.

## **COMMITMENTS RECEIVED AND GIVEN BY CARMIGNAC INVESTISSEMENT**

### **Guarantees received by the Fund**

None.

### **Other commitments received and/or given:**

None.

**MARKET VALUE OF SECURITIES SUBJECT TO A TEMPORARY PURCHASE TRANSACTION BY CARMIGNAC INVESTISSEMENT**

	30/12/2022
Securities held under repurchase agreements ( <i>pension</i> )	0.00
Securities borrowed	0.00



# MARKET VALUE OF SECURITIES REPRESENTING GUARANTEE DEPOSITS OF CARMIGNAC INVESTISSEMENT

	30/12/2022
Financial instruments given as a guarantee and kept as their original entry	0.00
Financial instruments received as a guarantee and not entered on the balance sheet	0.00

# GROUP FINANCIAL INSTRUMENTS HELD IN THE PORTFOLIO – CARMIGNAC INVESTISSEMENT

	ISIN	Name	30/12/2022
Equities			0.00
Bonds			0.00
Transferable debt securities			0.00
UCIs			0.00
Forward financial instruments			0.00
<b>Total group securities</b>			<b>0.00</b>

## ALLOCATION OF DISTRIBUTABLE INCOME RELATING TO THE INCOME OF CARMIGNAC INVESTISSEMENT

	30/12/2022	31/12/2021
<b>Amounts to be allocated</b>		
Retained earnings	0.00	0.00
Income	-24,664,082.23	-46,642,663.59
<b>Total</b>	<b>-24,664,082.23</b>	<b>-46,642,663.59</b>

	30/12/2022	31/12/2021
<b>A CHF Acc Hdg units</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	-70,870.89	-136,877.21
<b>Total</b>	<b>-70,870.89</b>	<b>-136,877.21</b>

	30/12/2022	31/12/2021
<b>A EUR Acc units</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	-20,007,423.54	-38,974,079.82
<b>Total</b>	<b>-20,007,423.54</b>	<b>-38,974,079.82</b>

## ALLOCATION OF DISTRIBUTABLE INCOME RELATING TO THE INCOME OF CARMIGNAC INVESTISSEMENT

	30/12/2022	31/12/2021
<b>A EUR Y dis units</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	-162,625.90	-298,542.34
<b>Total</b>	<b>-162,625.90</b>	<b>-298,542.34</b>

	30/12/2022	31/12/2021
<b>E EUR Acc units</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	-4,423,161.90	-7,233,164.22
<b>Total</b>	<b>-4,423,161.90</b>	<b>-7,233,164.22</b>

# ALLOCATION OF DISTRIBUTABLE INCOME RELATING TO CAPITAL GAINS AND LOSSES OF CARMIGNAC INVESTISSEMENT

	30/12/2022	31/12/2021
<b>Amounts to be allocated</b>		
Non-distributed prior net capital gains and losses	14,396,066.24	9,393,193.03
Net capital gains and losses for the financial year	-271,893,233.59	734,783,653.54
Interim dividends paid on net capital gains and losses in the financial year	0.00	0.00
<b>Total</b>	<b>-257,497,167.35</b>	<b>744,176,846.57</b>

	30/12/2022	31/12/2021
<b>A CHF Acc Hdg units</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Non-distributed net capital gains and losses	0.00	0.00
Accumulation	-388,876.70	2,785,131.98
<b>Total</b>	<b>-388,876.70</b>	<b>2,785,131.98</b>

	30/12/2022	31/12/2021
<b>A EUR Acc units</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Non-distributed net capital gains and losses	0.00	0.00
Accumulation	-243,242,430.63	654,855,845.61
<b>Total</b>	<b>-243,242,430.63</b>	<b>654,855,845.61</b>

## ALLOCATION OF DISTRIBUTABLE INCOME RELATING TO CAPITAL GAINS AND LOSSES OF CARMIGNAC INVESTISSEMENT

	30/12/2022	31/12/2021
<b>A EUR Y dis units</b>		
<b>Allocation</b>		
Distribution	271,667.34	10,227.25
Non-distributed net capital gains and losses	12,147,315.08	14,361,875.09
Accumulation	0.00	0.00
<b>Total</b>	<b>12,418,982.42</b>	<b>14,372,102.34</b>
<b>Information concerning units eligible to receive dividends</b>		
Number of units	128,144.973	127,840.623
<b>Dividend per unit</b>	<b>2.12</b>	<b>0.08</b>

	30/12/2022	31/12/2021
<b>E EUR Acc units</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Non-distributed net capital gains and losses	0.00	0.00
Accumulation	-26,284,842.44	72,163,766.64
<b>Total</b>	<b>-26,284,842.44</b>	<b>72,163,766.64</b>

# OVERVIEW OF RESULTS AND OTHER SIGNIFICANT ITEMS FOR THE LAST FIVE FINANCIAL YEARS FOR CARMIGNAC INVESTISSEMENT

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
<b>Total net assets in EUR</b>	<b>3,138,542,819.03</b>	<b>3,287,704,950.47</b>	<b>3,966,647,857.55</b>	<b>3,893,878,417.82</b>	<b>2,976,506,730.04</b>
<b>A CHF Acc Hdg units in CHF</b>					
Net assets in CHF	7,877,351.73	7,777,099.14	11,371,631.40	13,116,302.32	9,370,785.06
Number of units	67,839.313	53,918.072	59,224.996	65,920.366	57,936.418
Net asset value per unit in CHF	116.11	144.23	192.00	198.97	161.74
Accumulation per unit on net capital gains or losses in EUR	13.52	14.10	22.19	42.24	-6.71
Accumulation per unit on income in EUR	-0.99	-2.57	-4.81	-2.07	-1.22
<b>A EUR Acc units in EUR</b>					
Net assets	2,783,412,755.18	2,936,067,777.50	3,539,656,443.73	3,473,732,343.60	2,659,197,480.52
Number of units	2,688,203.945	2,273,068.238	2,050,369.083	1,935,300.354	1,814,011.454
Net asset value per unit	1,035.41	1,291.67	1,726.35	1,794.93	1,465.92
Accumulation per unit on net capital gains or losses	101.01	95.00	220.40	338.37	-134.09
Accumulation per unit on income	-10.40	-25.86	-46.78	-20.13	-11.02
<b>A EUR Y dis units in EUR</b>					
Net assets	18,252,878.04	17,935,250.73	22,894,439.68	26,410,567.28	21,611,260.03
Number of units	152,788.504	120,599.906	115,213.595	127,840.623	128,144.973
Net asset value per unit	119.46	148.71	198.71	206.58	168.64
Distribution per unit on net capital gains or losses	0.31	0.05	0.00	0.08	2.12
Non-distributed net capital gains and losses per unit	37.20	48.10	73.47	112.34	94.79
Accumulation per unit on income	-1.18	-2.97	-5.37	-2.33	-1.26

## OVERVIEW OF RESULTS AND OTHER SIGNIFICANT ITEMS FOR THE LAST FIVE FINANCIAL YEARS FOR CARMIGNAC INVESTISSEMENT

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
<b>E EUR Acc units in EUR</b>					
Net assets	329,886,901.20	326,547,277.22	393,582,775.63	381,076,816.29	286,208,106.40
Number of units	2,198,811.225	1,757,092.500	1,595,280.075	1,496,749.191	1,386,770.070
Net asset value per unit	150.02	185.84	246.71	254.60	206.38
Accumulation per unit on net capital gains or losses	14.72	13.73	31.57	48.21	-18.95
Accumulation per unit on income	-2.81	-4.96	-8.06	-4.83	-3.18



## LIST OF SECURITIES OF CARMIGNAC INVESTISSEMENT AT 30 DECEMBER 2022

Name of securities	Curren cy	Quantity or nominal amount	Current value	% of net assets
<b>Equities and similar securities</b>				
<b>Equities and similar securities traded on a regulated or similar market</b>				
<b>GERMANY</b>				
MERCEDES BENZ GROUP AG REGISTERED SHARES	EUR	175,145	10,753,903.00	0.36
PUMA SE	EUR	973,268	55,184,295.60	1.85
<b>TOTAL GERMANY</b>			<b>65,938,198.60</b>	<b>2.21</b>
<b>BELGIUM</b>				
ANHEUSER BUSCH INBEV SA/NV	EUR	716,491	40,316,948.57	1.35
<b>TOTAL BELGIUM</b>			<b>40,316,948.57</b>	<b>1.35</b>
<b>CANADA</b>				
ORYX PETROLEUM CORP LTD	CAD	7,791,333	1,023,722.05	0.03
<b>TOTAL CANADA</b>			<b>1,023,722.05</b>	<b>0.03</b>
<b>CHINA</b>				
DIDI GLOBAL INC	USD	3,399,383	10,128,871.34	0.34
<b>TOTAL CHINA</b>			<b>10,128,871.34</b>	<b>0.34</b>
<b>DENMARK</b>				
NOVO NORDISK AS	DKK	796,832	100,508,766.41	3.37
ORSTED	DKK	391,905	33,269,856.79	1.12
<b>TOTAL DENMARK</b>			<b>133,778,623.20</b>	<b>4.49</b>
<b>UNITED STATES</b>				
ADVANCED MICRO DEVICES INC	USD	856,964	52,008,019.00	1.75
ALPHABET- A	USD	324,416	26,819,605.23	0.90
AMAZON.COM INC	USD	359,159	28,268,312.02	0.95
BIOMARIN PHARMACEUTICAL INC.	USD	321,554	31,180,720.04	1.04
BLOCK INC	USD	537,256	31,633,794.37	1.06
BOOKING HOLDINGS INC	USD	17,130	32,346,447.79	1.09
CENTENE CORP	USD	645,027	49,565,391.68	1.67
COLGATE PALMOLIVE	USD	410,958	30,339,077.84	1.02
CONSTELLATION BRANDS INC	USD	149,412	32,444,348.56	1.09
COSTCO WHOLESALE CORP	USD	34,134	14,600,300.77	0.49
DANAHER CORP	USD	262,476	65,276,533.07	2.19
DEERE & CO	USD	38,498	15,466,294.20	0.52
EATON CORPORATION PUBLIC LIMITED COMPANY	USD	99,316	14,605,430.97	0.49
ELEVANCE HEALTH INC	USD	192,549	92,548,007.06	3.11
ELI LILLY & CO	USD	232,903	79,836,245.98	2.69
EMERSON ELECTRIC	USD	175,072	15,757,710.30	0.53
HOME DEPOT INC COM USD0.05	USD	91,686	27,135,104.20	0.91
HUMANA INC	USD	108,600	52,118,841.88	1.75
INGERSOLL RAND INC	USD	285,211	13,963,246.43	0.47
INTERCONTINENTALEXCHANGE GROUP	USD	693,629	66,675,473.52	2.24
MARVELL TECHNOLOGY INC	USD	1,318,480	45,759,193.44	1.53

## LIST OF SECURITIES OF CARMIGNAC INVESTISSEMENT AT 30 DECEMBER 2022

Name of securities	Curren cy	Quantity or nominal amount	Current value	% of net assets
MASTERCARD INC	USD	98,574	32,117,251.83	1.08
MERCADOLIBRE	USD	32,600	25,849,073.79	0.87
MICROSOFT CORP	USD	416,298	93,545,641.94	3.14
ORACLE CORP COM	USD	1,710,846	131,032,609.08	4.40
O REILLY AUTOMOTIVE	USD	57,822	45,728,276.09	1.54
PALO ALTO NETWORKS INC	USD	313,393	40,975,272.17	1.38
SCHLUMBERGER LTD	USD	1,729,542	86,635,104.54	2.91
SERVICENOW INC	USD	15,219	5,536,735.66	0.19
SP GLOBAL	USD	281,577	88,368,611.27	2.97
STRYKER CORP	USD	429,897	98,482,565.03	3.31
SUNRUN INC	USD	970,014	21,831,563.63	0.73
TMOBILE US INC	USD	356,621	46,780,922.93	1.57
TRADEWEB MARKETS INC-CLASS A	USD	655,528	39,881,408.33	1.34
UBER TECHNOLOGIES INC	USD	1,597,672	37,020,781.04	1.25
<b>TOTAL UNITED STATES</b>			<b>1,612,133,915.68</b>	<b>54.16</b>
<b>FRANCE</b>				
AIR LIQUIDE	EUR	45,083	5,968,989.20	0.20
ESSILORLUXOTTICA	EUR	388,938	65,808,309.60	2.21
HERMES INTERNATIONAL	EUR	86,969	125,670,205.00	4.22
L'OREAL	EUR	93,975	31,350,060.00	1.05
LVMH (LOUIS VUITTON - MOET HENNESSY)	EUR	44,544	30,285,465.60	1.02
SAFRAN SA	EUR	401,209	46,909,356.28	1.58
TOTALENERGIES SE	EUR	902,667	52,941,419.55	1.78
<b>TOTAL FRANCE</b>			<b>358,933,805.23</b>	<b>12.06</b>
<b>CAYMAN ISLANDS</b>				
ALIBABA GROUP HOLDING LTD ADR	USD	1,023,223	84,456,045.04	2.84
ANTA SPORTS PRODUCTS LIMITED	HKD	1,930,518	23,708,949.31	0.80
JD.COM INC-ADR	USD	1,344,081	70,689,404.10	2.37
KE HOLDINGS INC	USD	2,292,070	29,981,070.23	1.01
<b>TOTAL CAYMAN ISLANDS</b>			<b>208,835,468.68</b>	<b>7.02</b>
<b>IRELAND</b>				
RYANAIR HOLDINGS PLC	EUR	1,339,421	16,354,330.41	0.55
<b>TOTAL IRELAND</b>			<b>16,354,330.41</b>	<b>0.55</b>
<b>JAPAN</b>				
DENTSU GROUP INC	JPY	875,607	25,773,574.99	0.86
<b>TOTAL JAPAN</b>			<b>25,773,574.99</b>	<b>0.86</b>
<b>JERSEY</b>				
FERGUSON PLC	USD	193,378	23,006,047.94	0.78
GLENCORE XSTRATA	GBP	5,890,483	36,674,024.33	1.23
<b>TOTAL JERSEY</b>			<b>59,680,072.27</b>	<b>2.01</b>

## LIST OF SECURITIES OF CARMIGNAC INVESTISSEMENT AT 30 DECEMBER 2022

Name of securities	Curren cy	Quantity or nominal amount	Current value	% of net assets
<b>NETHERLANDS</b>				
AIRBUS SE	EUR	900,087	99,927,658.74	3.36
NXP SEMICONDUCTO	USD	77,391	11,459,451.61	0.38
UNIVERSAL MUSIC GROUP NV	EUR	1,657,141	37,302,243.91	1.25
<b>TOTAL NETHERLANDS</b>			<b>148,689,354.26</b>	<b>4.99</b>
<b>UNITED KINGDOM</b>				
ASTRAZENECA PLC	GBP	487,464	61,632,810.96	2.07
DIAGEO	GBP	1,458,766	60,011,224.57	2.02
<b>TOTAL UNITED KINGDOM</b>			<b>121,644,035.53</b>	<b>4.09</b>
<b>SWITZERLAND</b>				
NESTLE NOM.	CHF	470,965	51,100,501.39	1.72
<b>TOTAL SWITZERLAND</b>			<b>51,100,501.39</b>	<b>1.72</b>
<b>TAIWAN</b>				
TAIWAN SEMICONDUCTOR	TWD	1,108,194	15,152,069.71	0.51
<b>TOTAL TAIWAN</b>			<b>15,152,069.71</b>	<b>0.51</b>
<b>TOTAL Equities and similar securities traded on a regulated or similar market</b>			<b>2,869,483,491.91</b>	<b>96.40</b>
<b>TOTAL equities and similar securities</b>			<b>2,869,483,491.91</b>	<b>96.40</b>
Receivables			11,944,313.66	0.41
Payables			-25,734,084.63	-0.87
Financial accounts			120,813,009.10	4.06
<b>Net assets</b>			<b>2,976,506,730.04</b>	<b>100.00</b>

A EUR Y dis units	EUR	128,144.973	168.64
A EUR Acc units	EUR	1,814,011.454	1,465.92
E EUR Acc units	EUR	1,386,770.070	206.38
A CHF Acc Hdg units	CHF	57,936.418	161.74

## FURTHER INFORMATION REGARDING THE COUPON'S TAX REGIME

Coupon breakdown: A EUR Y dis units

	NET TOTAL	CURRENCY	NET PER UNIT	CURRENCY
Income subject to non-definitive, compulsory withholding tax	0.00		0.00	
Shares eligible for rebate and subject to non-definitive, compulsory withholding tax	0.00		0.00	
Other income not eligible for rebate and subject to non-definitive, compulsory withholding tax	0.00		0.00	
Non-declarable and non-taxable income	0.00		0.00	
Total amount distributed on capital gains and losses	271,667.34	EUR	2.12	EUR
TOTAL	271,667.34	EUR	2.12	EUR

# APPENDIX V

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC INVESTISSEMENT  
 Legal entity identifier: 96950039YSR2SSH77885

## Sustainable investment objective

**Did this financial product have a sustainable investment objective?**

Yes
 
   No

<p><input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> 5 %</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input checked="" type="checkbox"/> It made <b>sustainable investments with a social objective:</b> 15 %</p>	<p><input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of _____ % of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>
---	---

The minimum proportion of sustainable investments was 50% in 2022, and it will remain 50% of net assets in 2023. The minimum levels of sustainable investments with environmental and social objectives (as described above) will be 5% and 15% of the fund's net assets respectively, effective from 1 January 2023. The carbon target will remain 30% below the benchmark.

### To what extent was the sustainable investment objective of this financial product met?



The fund's sustainable investment objective consists in investing at least 50% of net assets in companies deriving at least 50% of their revenue from goods and services linked to business activities that positively align with at least one of the nine United Nations Sustainable Development Goals ("SDGs"), out of a total of 17, selected for this fund: (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. To find out more about the United Nations sustainable development goals, please visit <https://sdgs.un.org/goals>.

A company is considered “aligned” if it derives at least 50% of its revenue from activities that are deemed to contribute to one of the nine SDGs listed above. These 50% thresholds indicate significant commitment from the company with respect to its contribution and growth projects.

In order to determine which companies are aligned, the management company has identified a robust company classification system and mapped 1,700 different business activities. Furthermore, the management company uses the “SDG Compass”, a resource created by the GRI (“Global Reporting Initiative”), the United Nations Global Compact and the World Business Council for Sustainable Development, to identify the business activities that contribute to each SDG. Carmignac has also created “investable themes” corresponding to business activities. The management company filters each business activity in the classification system based on these themes, sorting the relevant business activities into Carmignac’s “investable themes” and using SDG targets to verify their suitability. Once the 50% revenue or investment threshold is reached for a given issuer, the total weight of that holding is considered aligned.

With regard to Regulation (EU) 2020/852 (the EU Taxonomy), the fund contributes, through its investments, to the following environmental objectives: climate change mitigation and adaptation. The fund does not have a carbon footprint reduction target aligned with the Paris Agreement, but it does seek to achieve carbon intensity (tCO<sub>2</sub>/\$m of revenue converted into euro, aggregated at portfolio level (scopes 1 and 2 of the GHG Protocol)) 30% lower than that of its reference benchmark, which is the MSCI AC World NR (USD) index (net dividends reinvested), converted into EUR.

No failures to achieve the sustainable objective were identified during the year.

## ● How did the sustainability indicators perform?

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:

- 5) 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 at 30 December 2022, the ESG analysis coverage rate was 100% of securities (excluding cash and derivatives).
  
- 6) Reduction of the investment universe** (minimum 20% of the portfolio’s equity component): 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 based on 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 at 30 December 2022, the initial investment universe for the equity component has been reduced by 21.17%.
  
- 7) Alignment with the sustainable development goals:** at least 50% of the fund’s net assets (i.e. excluding cash and derivatives used for hedging purposes) are invested in the equities of companies deriving at least 50% of their revenue from goods and 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 at 30 December 2022, 66.8% 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.

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

**8) 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, Carmignac engaged with 81 companies, and 19 companies at the level of the Carmignac Investissement fund. We exercised our shareholder rights in almost 100% of the meetings where we held shares (98%).

The fund also seeks to achieve carbon emissions 30% lower than those of its reference benchmark, MSCI AC World NR (USD) (net dividends reinvested) converted into EUR, measured by carbon intensity (tCO<sub>2</sub>/\$m of revenue converted into euro, aggregated at portfolio level (scopes 1 and 2 of the GHG Protocol)). At 30 December 2022, the carbon emissions of the Carmignac Investissement fund were 72.3% lower than those of its reference benchmark.

Moreover, as regards monitoring principal adverse impacts ("PAI"), and in accordance with Annex 1 to Commission Delegated Regulation (EU) 2022/1288, the fund monitors 14 mandatory environmental and social indicators, and 2 optional indicators to demonstrate the impact of sustainable investments with respect to these indicators: greenhouse gas (GHG) emissions, carbon footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel sector, share of non-renewable energy consumption and production, energy consumption intensity per high impact climate sector, activities negatively affecting biodiversity-sensitive areas, emissions to water, hazardous waste and radioactive waste ratio, water usage and recycling (optional choice), violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, unadjusted gender pay gap, board gender diversity, exposure to controversial weapons, excessive pay ratio (optional choice). Sovereign issuers are monitored for violations of social norms with respect to their GHG intensity.

Please find below performance data with respect to 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	<b>45,522.50</b>	99%
Scope 2 GHG	Scope 2 GHG emissions	<b>21,020</b>	99%
Scope 3 GHG	From 1 January 2023, Scope 3 GHG emissions	<b>1,306,192.50</b>	99%
Total GHG	Total GHG emissions	<b>1,372,737.50</b>	99%
Carbon footprint	Carbon footprint	<b>457.0275</b>	99%
GHG intensity level	GHG intensity of companies	<b>754.59</b>	99%
Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	<b>7%</b>	99%
Share of non-renewable energy consumption	Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	<b>70%</b>	99%
Share of non-renewable energy production	Share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	<b>22%</b>	99%
Energy consumption intensity per high impact climate sector – Total	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – Total	<b>0.15</b>	99%
Energy consumption intensity per high impact climate sector –	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector –	<b>N/A</b>	99%

NACE Sector A	NACE Sector A (Agriculture, forestry and fishing)		
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)	<b>0.8125</b>	99%
Energy consumption intensity per high impact climate sector – NACE Sector C	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector C (Manufacturing)	<b>0.1575</b>	99%
Energy consumption intensity per high impact climate sector – NACE Sector D	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector D (Electricity, gas, steam and air conditioning supply)	<b>1.32</b>	99%
Energy consumption intensity per high impact climate sector – NACE Sector E	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector E (water supply, sewerage, waste management and remediation activities)	<b>N/A</b>	99%
Energy consumption intensity per high impact climate sector – NACE Sector F	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector F (Construction)	<b>N/A</b>	99%
Energy consumption intensity per high impact climate sector – NACE Sector G	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	<b>0.0275</b>	99%
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)	<b>4.52</b>	99%
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)	<b>0.01</b>	99%
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	<b>0%</b>	99%
Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	<b>69.195</b>	99%
Hazardous waste	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	<b>54.665</b>	99%
Water usage and recycling	Average amount of water consumed and recovered by the investee companies (in cubic metres) per million EUR of revenue	<b>565.7475</b>	99%
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	<b>0%</b>	99%
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	<b>45%</b>	99%
Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	<b>85%</b>	99%
Board gender diversity	Average ratio of female to male board members in investee companies	<b>32%</b>	99%
Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	<b>0%</b>	99%



Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual).	101.4	99%
-------------------------	---	-------	-----

**...and compared to previous periods?**

N/A.

**How did the sustainable investments not cause significant harm to any sustainable investment objective?**

All the fund’s investments (not just sustainable investments) are assessed for compliance with global standards on environmental protection, human rights, employment practices and anti-corruption measures, through controversy screening. Specifically, the 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.

In addition, the fund ensures that these activities do no significant harm to the environmental and social objective.

The aim of engagement on controversial behaviour is to put a stop to companies violating the UNGC Guiding Principles and/or OECD Guidelines for Multinational Enterprises and to establish suitable management systems to prevent such breaches from recurring. Where engagement efforts are unsuccessful, the company is considered excluded. Cases warranting enhanced engagement are selected every quarter based on need. The emphasis placed on the engagement process may differ depending on the level of exposure.

**How were the indicators for adverse impacts on sustainability factors 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 aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

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

**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.

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 by which 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 consider principal adverse impacts on sustainability factors?

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 14 mandatory environmental and social indicators, and two optional indicators to demonstrate the impact of sustainable investments with respect to these indicators: greenhouse gas (GHG) emissions, carbon footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel sector, share of non-renewable energy consumption and production, energy consumption intensity per high impact climate sector, activities negatively affecting biodiversity-sensitive areas, emissions to water, hazardous waste and radioactive waste ratio, water usage and recycling (optional choice), violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, unadjusted gender pay gap, board gender diversity, exposure to controversial weapons, excessive pay ratio (optional choice). Sovereign issuers are monitored for violations of social norms with respect to 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 Impact Cubed allows us to track the impact of our funds for each PAI indicator.

Identifying companies that are performing worse than the index in terms of PAI allows us to engage in dialogue to ensure that they are committed to reducing their impact. We identified Total Energies as one of the main contributors to Carmignac Investissement's underperformance on the hazardous waste performance indicator. In 2022, we engaged with Total Energies SA, following our vote against the company's sustainable development and climate transition plan at the 2022 AGM. We contacted the company in June to share our views and the areas for improvement identified. These included:

- 1) a clearer way to indicate their CO<sub>2</sub> reduction targets for scopes 1 and 2 emissions
  - 2) a revision of their medium-term forecasts of CapEx allocation to green and renewable energy.
- Engaging in this way also provided us with an opportunity to raise the environmental and social controversies affecting the company. Given the company's commitments to respecting communities and biodiversity, we asked for more clarity on how the company intends to exercise sufficient oversight and ensure that it is acting in accordance with its long-term commitments, while informing investors of compliance with these commitments. We will follow up with Total Energies on this PAI and ensure that appropriate measures are implemented.

## What were the top investments of this financial product?

Please find below the top 15 investments for 2022 based on average month-end data:

Largest investments	Sector	% Assets	Country
HERMES INTERNATIONAL	Consumer discretionary	3.54%	France
MICROSOFT CORP	Information technology	3.24%	USA
SCHLUMBERGER	Energy	3.07%	USA
AMAZON.COM INC	Consumer discretionary	2.69%	USA
JD.COM INC	Consumer discretionary	2.68%	China
NOVO NORDISK AS	Healthcare	2.61%	Denmark
ELI LILLY & CO.	Healthcare	2.56%	USA
T-MOBILE US INC	Telecoms	2.45%	USA
DANAHER CORP	Healthcare	2.24%	USA
INTERCONTINENTAL EXCHANGE	Finance	2.22%	USA
PALO ALTO NETWORKS INC	Information technology	2.18%	USA
UBER TECHNOLOGIES INC	Industry	2.12%	USA
ESSILOR INTL	Consumer discretionary	2.09%	France
AIRBUS GROUP	Industry	1.99%	France
ORACLE	Information technology	1.90%	USA

The list includes investments constituting the financial product's largest holdings over the reference period, namely:

## What was the proportion of sustainability-related investments?

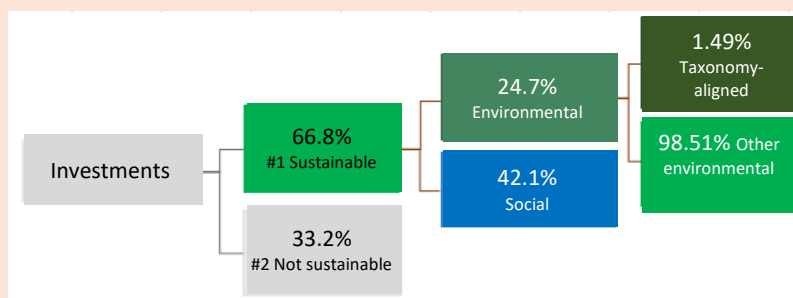
As at 30 December 2022, 66.8% of the fund's net assets were invested in sustainable companies as defined above.

### ● What was the asset allocation?

The fund invests sustainably, in that it invests at least 50% of its net assets 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 ("SDGs"), out of a total of 17. As well as making sustainable investments accounting for at least 50% of the net assets, the fund may target companies deriving less than 50% of their revenue, or even none of their revenue, from activities aligned with the United Nations SDGs. As at 30 December 2022, 66.8% of the fund's net assets were used to attain the fund's sustainable objective.

From 1 January 2023, the minimum levels of sustainable investments with environmental and social objectives (as described in the graph below) will be 5% and 15% of the Sub-fund's net assets, respectively. As at 30 December 2022, these proportions were 24.7% and 42.1% of the Fund's net assets, respectively.

**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.



**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which 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 2022, based on average month-end data:

Economic sectors	% Assets
Consumer discretionary	22.2%
Healthcare	21.3%
Information technology	16.7%
Industry	9.2%
Non-cyclical consumer spending	8.5%
Finance	7.5%
Telecoms	7.2%
Energy	4.7%
Oil & Gas Equipment & Services	3.34%
Integrated Oil & Gas	1.36%
Oil & Gas Exploration & Production	0.04%
Materials	1.4%
Utilities	1.1%
Property	0.09%



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

### Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?<sup>2</sup>

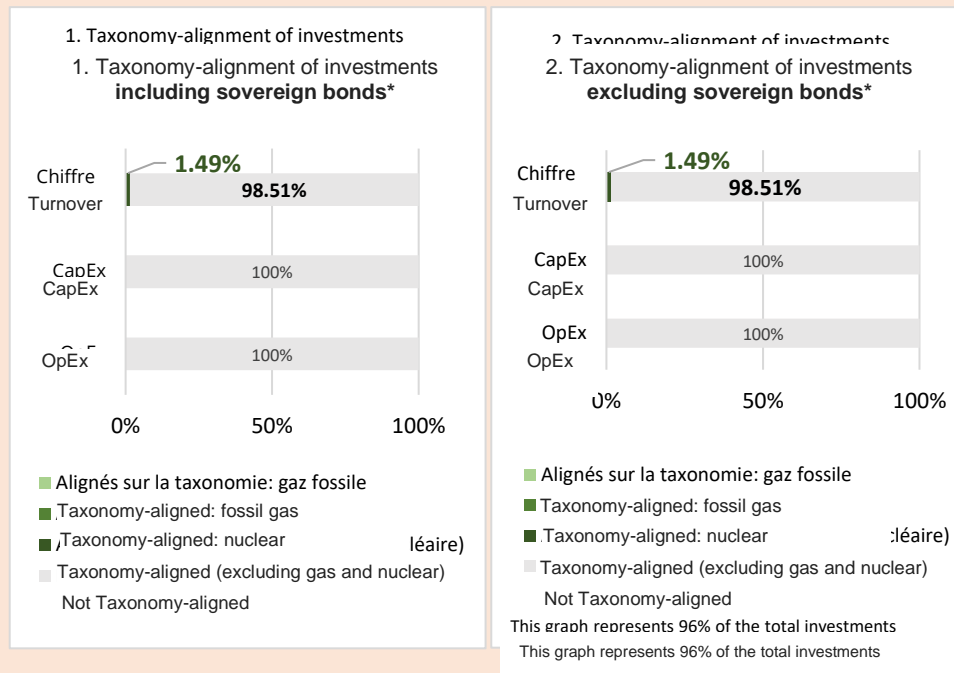
Yes:
   
 In fossil gas       In nuclear energy

No:

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.



<sup>2</sup> 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 investments made in transitional and enabling activities?**

N/A.

● **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

N/A.



● **What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

Sustainable investments with an environmental objective that are not aligned with the EU Taxonomy account for 24.7% of the net assets.



● **What was the share of socially sustainable investments?**

Sustainable investments with a social objective accounted for 42.1% of the net assets.

**What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?**

In addition to sustainable investments, the fund may invest in cash (and equivalent instruments) for cash management purposes. The fund may also invest in derivatives for hedging purposes.

To the extent that the fund takes short positions using derivatives with a single underlying, exclusions defined at the level of the management company apply. These derivatives 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.

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



## What actions have been taken to attain the sustainable investment objective during the reference period?

Carmignac took the actions listed below in 2022 to support the investment process through compliance with environmental and social characteristics

### Pillar 1: ESG integration

- Addition of extra social indicators (employee and consumer satisfaction data) to the exclusive START ESG rating process, informing analysts of material aspects that may affect the investment thesis.
- Improved capacity to monitor green, social, sustainable and sustainability-linked bonds to facilitate monitoring and future reporting in the Global Portfolio Monitoring system with a dashboard for portfolio managers on fund positions.
- Development of proprietary sovereign ESG rating models (Impact and Global) in the START interface to improve the efficiency and knowledge of the portfolio management team.
- Integration of PAI monitoring and introduction of a policy describing how information on environmental, social and human rights indicators is to be integrated into the investment rationale.
- Enhanced transparency and automated monitoring of the universe reduction process.
- Addition to the START proprietary ESG system of a tool mapping alignment with the UN Sustainable Development Goals, measured as a % of turnover, for every company with links to investable business activities that are directly linked to the nine SDGs we have chosen.
- Weekly monitoring of the minimum percentage of sustainable investments shared with the investment teams as part of internal ESG monitoring.

### Pillar 2: Exclusions

- Automation of the quarterly list review process to identify companies that may be subject to strict sector or controversy exclusions, or the universe reduction process, if applicable.

### Pillar 3: Voting and engagement

- Introduction of a “key vote” approach to prioritise companies identified for more targeted voting recommendations and potential engagement linked to voting decisions, in particular “Say on climate” votes.
- Development of a quarterly responsible management newsletter to publicly demonstrate to clients how we promote active stewardship.
- Continuation of our quarterly company engagement plan, with almost 58% of engagement efforts linked to environmental, social or governance themes.

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 extra-financial risks and considerably 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.



In 2022, we engaged with 81 companies on specific ESG matters at Carmignac level, and 19 companies at the level of this particular fund.

For example, we resumed our dialogue with Amazon, having last engaged with the company in March 2021, because it continues to face controversy over the management of the environmental and social externalities that its activities generate. We held this meeting in April and focused our engagement on the following topics:

- The role of the founder (Jeff Bezos) in the company
- The governance structure in place to manage environmental, social and ethical issues
- The treatment of employees and the company's relationship with trade unions
- Its approach to tax issues
- Its environmental performance

In addition, we asked for greater transparency on the company's circular economy information, including how it handles customer returns, the carbon footprint of those returns and donation initiatives.

We told the company that it needed to improve its overall transparency on the various environmental and social initiatives it was taking to improve practices and its image problem. After consultation with the sector analyst, this dialogue did not trigger a change in our proprietary START rating system. However, we will continue to engage with the company and monitor its environmental, social and governance (ESG) practices.



### How did this financial product perform compared to the reference sustainable 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 to determine 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.

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

## TER at 31st December 2022

		Annual
ISIN	Funds / Class	TER 2022
FR0010147603	Carmignac Investissement Latitude (A EUR ACC)	2.80%
FR0013527827	Carmignac Investissement Latitude (F EUR ACC)	2.60%

## Performance

ISIN	Funds / Class	Currency	Return 2020 (%)	Return 2021 (%)	Return 2022 (%)
FR0010147603	Carmignac Investissement Latitude (A EUR ACC)	EUR	26.96%	-6.23%	2.08%
FR0013527827	Carmignac Investissement Latitude (F EUR ACC)	EUR	N/A	-6.04%	2.28%

Past performance does not reflect current or future performance and the performance data do not take into account the fees and charges received upon the issue and redemption of the shares.



CARMIGNAC GESTION

24, place Vendôme – 75001 Paris

Tel.: +33 (0)1 42 86 53 35 – Fax: +33 (0)1 42 86 52 10

Portfolio management company (AMF authorisation no. GP 97-08 of 13/03/1997).

SA with capital of EUR 15 million – RCS Paris B 349 501 676

[www.carmignac.com](http://www.carmignac.com)