ANNEX III

Template pre-contractual 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

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

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

Product name: CARMIGNAC PORTFOLIO EMERGENTS **Legal entity identifier:** 549300XCIILC6GUC6Q37

Sustainable investment objective

Does this financial product have a sustainable investment objective?	
☒ **Yes**	☐ **No**
☒ It will make a minimum of **sustainable investments with an environmental objective:** 5% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☒ It will make a minimum of **sustainable investments with a social objective:** 35%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What is the sustainable investment objective of this financial product?

The Sub-Fund's sustainable objective is to invest at least 80% of the Sub-Fund's net assets in shares of companies that are considered aligned with relevant United Nations Sustainable Development Goals ("the SDGs"). The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 35% of the Sub-Fund's net assets.

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

a) **Products and services:** the company derives at least 50% of its revenue from goods and services that are reated to one of the following nine SDGs: (1) No Poverty, (2) No Hunger, (3) Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production; or

b) **Capital expenditure:** the company invests at least 30% of its capital expenditure in business activities that are related to one of the following nine SDGs (1) No Poverty, (2) No Hunger, (3) Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production; or

c) **Operations:**

   i. the company achieves an "aligned" status for operational alignment for at least three (3) out of all seventeen (17) of the SDGs, based on the evidence provided by the investee company of available policies, practices and targets addressing such SDGs. An "aligned" status represents an operational alignment score of ≥2 (on a scale of -10 to +10) as determined by the external scoring provider; and

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

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

Further information on the methodologies:

Firstly, in order to determine which investee companies are aligned to the SDGs for Products and Services and Capital expenditure, we have identified a robust business classification system and mapped 1700 different business activities. In addition, we have used the SDG Compass, a resource created by GRI, the UN Global Compact and the World Business Council for Sustainable Development to identify business activities which contributed to each SDG. In addition, we created Carmignac 'investable themes' based upon the business activities. Based on these themes, we have filtered through each business activity in the classification system, aligning the appropriate business activities with Carmignac's 'investable themes' and using the SDG targets to verify suitability. This was reviewed by members of the Sustainable Investment (SI) and Investment team.

Secondly, in order to determine which investee companies are aligned to the SDGs for Operations, we use an external scoring methodology to create an indicative operational alignment screen. Each investee company is assessed on each of the 17 SDGs and their performance is rated from -10 to +10 for each SDG. To calculate this score, for each SDG, there are (1) Positive indicators linked to evidence of policies, initiatives and targets with specific KPIs which result in positive additions to the scores, (2) Negative indicators, linked to controversies or adverse impacts which results in negative subtractions to the score and (3) Performance indicators which assess trajectory of performance which can be additive or negative for the score. The above three assessments are aggregated into a final score for each SDG between the aforementioned -10 to + 10 range. This means that each company has 17 scores, one for each SDG, between -10 and +10.
The entire range scale for operational alignment is divided into five result categories as follows:

- >5.0: Strongly Aligned
- Score between 2.0 and 5.0, inclusive: Aligned
- Score less than 2.0 but higher than (-2.0): Neutral
- Score equal to or less than (-2.0) but higher than (-10): Misaligned
- Score equal to (-10): Strongly Misaligned

Once the threshold for alignment for the Products and Services, Capital expenditure or Operational is met, the full weight of the holding is considered aligned.

In addition, the Sub-Fund contributes through its investments to the following environmental objectives: climate change mitigation and climate change adaptation. The Sub-Fund does not have as its objective a carbon footprint reduction but aims to achieve carbon emissions 50% lower than its reference indicator (MSCI EM NR Index), measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

The Sub-Fund has not designated a reference benchmark for the purposes of showing the attainment of the sustainable investment objective. The objective is an absolute target to invest 80% of net assets into companies on a continuous basis that are aligned to one of the aforementioned relevant SDGs according to the predefined revenue, capital expenditure or operational alignment thresholds..

The attainment of the sustainable objective is ensured on a continuous basis through monitoring and controls and will be published monthly on the Sub-Fund's webpage.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

This Sub-Fund uses the following sustainability indicators to measure the attainment of the sustainable objective:

1) The coverage rate of ESG analysis: ESG integration through ESG scoring using Carmignac's proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory), which includes internal and external ESG ratings, is applied to at least 90% of issuers.

START is a systemised platform aggregating multiple sources of raw ESG data for our proprietary scoring systems for companies and also our Sovereign ESG model, Controversy analysis and SDG alignment. START rates companies from "E" to "A", that grid below details the correspondence between the START numeric and START ratings:

Lower limit		START rating		Higher limit
8	≤	A	≤	10
6	≤	B	<	8
4	≤	C	<	6
2	≤	D	<	4
0	≤	E	<	2

2) The amount the universe is reduced by: the investment universe of the Sub-Fund for universe reduction purposes is composed of listed equities or emerging markets issuers, with a market capitalisation above EUR 1 billion. This universe is reduced by a minimum of 25% through the application of the filters described below.

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

ii) Sub-Fund-specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, thermal coal mining, palm oil, airlines, companies involved in factory farming, and companies on the People for the Ethical Treatment of Animals ("PETA") list. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above, and by companies rated "E" or "D" in START.

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

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

3) Minimum of Sustainable investments: the Sub-Fund makes sustainable investments whereby a minimum of 80% of the Sub-Fund's net assets, which align positively with relevant United Nations SDGs.

The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 35% of the Sub-Fund's net assets.

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

5) Low-carbon intensity target: the Sub-fund aims in the equity and corporate bond part of the portfolio to achieve a carbon emissions profile that is 50% lower than its reference indicator (MSCI EM NR Index) measured monthly by carbon intensity (tCO2/ mEUR revenue); aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

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

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

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

1) Universe reduction process:

> **i) Firm-wide:** Negative screening and exclusions of unsustainable activities and practices are identified using an international norms and rules-based approach on the following: (a) controversies against the OECD business guidelines, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and UN Global compact principles, (b) controversial weapons, (c) thermal coal mining, (d) power generation companies, (e) tobacco, (f) adult entertainment.
>
> **ii) Sub-Fund-specific:** Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, thermal coal mining, palm oil, airlines, companies involved in factory farming, and companies on the People for the Ethical Treatment of Animals ("PETA") list. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above, and by companies rated "E" or "D" in START.

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

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

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

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

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific 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.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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

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

This Sub-Fund applies a controversy screening process for all its investments. This process aims to exclude from the investment universe companies that have committed significant controversies against the environment, human rights and international labour laws. The screening process bases its controversy identification on the OECD Business Guidelines and UN Global compact principles and is commonly called Norms-based screening, integrating a strict flagging system monitored and measured through Carmignac's proprietary ESG system START. A company controversy scoring and research is applied using data extracted from ISS ESG as the research data base.

Does this financial product consider principal adverse impacts on sustainability factors?

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.

✖ Yes

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

To mitigate the adverse impacts if detected, further assessment is performed to identify an engagement strategy or potential divestment from the company as is outlined under the Carmignac Engagement policy and Principal Adverse Impact policy.
Please find in our PAI Policy the Table 1 (Annex 1 RTS), the statement on principal adverse impacts of investment decisions on sustainability factors. The performance of these indicators will be disclosed in annual reports.

☐ No

What investment strategy does this financial product follow?

This Sub-Fund invests mainly in equities from emerging markets. At least 60% of the Sub-Fund's net assets are exposed to equity markets, with no restriction on regions or types of capitalisation. Up to 40% may be invested in bonds, negotiable debt securities and money market instruments. At least two thirds of the issuers of equities and bonds held by the Sub-Fund have their registered office, conduct the majority of their business, or have business development prospects in emerging, including frontier, countries. The Sub-Fund can invest up to 30% of its net assets into Chinese domestic securities (maximum limit including both bonds and equities). Investments in China may be performed, inter alia, directly on the China Interbank Bond Market (“CIBM”).

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The Sub-Fund adopts a sustainable investment approach using best in universe and best efforts selection process and both positive and negative screening to identify companies with long term sustainable growth criteria. The Sub-Fund makes sustainable investments whereby a minimum of 80% of the Sub-Fund’s net assets, are invested in shares of companies that are considered aligned with relevant United Nations Sustainable Development Goals (“the SDGS”). The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 35% of the Sub-Fund’s net assets.

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

a) Products and services: the company derives at least 50% of its revenue from goods and services that are reated to one of the following nine SDGs: (1) No Poverty, (2) No Hunger, (3) Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production; or

b) Capital expenditure: the company invests at least 30% of its capital expenditure in business activities that are related to one of the following nine SDGs (1) No Poverty, (2) No Hunger, (3) Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production; or

c) Operations:

   i. the company achieves an “aligned” status for operational alignment for at least three (3) out of all seventeen (17) of the SDGs, based on the evidence provided by the investee company of available policies, practices and targets addressing such SDGs. An “aligned” status represents an operational alignment score of ≥2 (on a scale of -10 to +10) as determined by the external scoring provider; and

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

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

In terms of ESG integration, the investment universe is assessed for ESG risks and opportunities recorded in Carmignac proprietary ESG platform “START” (System for Tracking and Analysis of a Responsible Trajectory). This applies to equity issuers. The Environmental, Social and Governance analysis

(“Integrated ESG Analysis”) is incorporated in the investment process performed by the investment team using proprietary research and external research.

The extra-financial analysis is implemented in the investment strategy by undertaking activities described below whereby the Sub-Fund's investment universe is actively reduced by at least 25%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website.

Universe reduction process:

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

ii) Sub-Fund specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation, thermal coal mining, palm oil, airlines, companies involved in factory farming, and companies on the People for the Ethical Treatment of Animals ("PETA") list. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above, and by companies rated “E” or “D” in START.

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

Portfolio climate targets: The Sub-Fund has portfolio climate targets to reduce its greenhouse gas (“GHG”) emissions by 50% in 2030, 70% by 2040 and achieve net zero by 2050. To monitor these targets, the Sub-Fund uses an aggregation of financed emissions of each individual company in the Sub-Fund’s portfolio which are calculated by using the following formula:

(market value of the investment / enterprise value including cash) x
(Scope 1 GHG emissions + Scope 2 GHG emissions).

The baseline year for the portfolio climate targets is 2018. This methodology maintained by the Sub-Fund may depend on governments setting the right regulatory incentives, consumer behaviour (i.e. preference for cleaner options) and technological innovation to provide affordable, scalable solutions to reduce the GHG emissions.

The Sub-Fund contributes through its investments to the following environmental objectives: climate change mitigation and climate change adaptation. The Sub-Fund does not have as its objective a carbon footprint reductionbut aims to achieve carbon emissions 50% lower than its reference indicator (MSCI EM NR Index), measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

Additional KPIs: In order to comply with the requirements of the French ISR Label; the sub-fund aims to achieve a lower GHG intensity (as defined in the Principal Adverse Impact (PAI) indicators) and a higher SDG alignment than its reference indicator.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The binding elements of the investment strategy used to select the investments to attain the sustainable investment objective are:

- 80% of the Sub-Fund's net assets are invested in sustainable investments aligned positively with the United Nations Sustainable Development Goals (as outlined above);
- The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 35% of the Sub-Fund's net assets;
- Equity investment universe is actively reduced by at least 25%;
- The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment;
- ESG analysis applied to at least 90% of issuers; and
- carbon emissions 50% lower than the reference indicator as measured by carbon intensity.

What is the policy to assess good governance practices of the investee companies?

Good governance practices include sound management structures, employee relations, remuneration of staff ad tax compliance.

In order to assess good governance practices, the Sub-Fund applies Carmignac proprietary ESG research system START, which gathers key governance indicators automated for over 7000 companies, including 1) the percentage of Audit Committee Independence, Average Board Tenure, Board Gender Diversity, Board Size, Compensation Committee Independence as it relates to sound management structures, 2) Executive Compensation, Executive Sustainability Incentive, Highest Remuneration Package as it relates to remuneration of staff. Employee relations are covered within Carmignac S indicators (namely through employee satisfaction, gender pay gap, turnover of employees) within START.

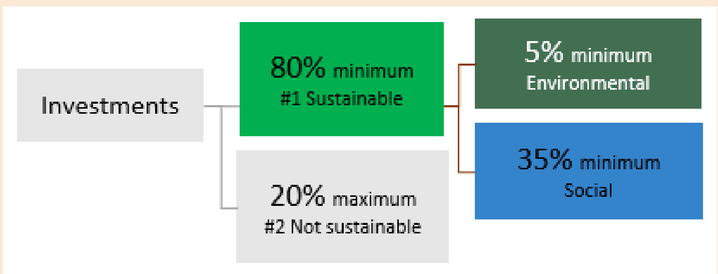
As for taxation, the Sub-Fund recognize companies in it investment universe which adhere to the OECD Guidelines for multinational enterprises on taxation and push for disclosure where necessary.

In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:
o Publish a global tax policy that outlines the company's approach to responsible tax;
o Report on tax governance and risk management processes; and
o Report on a country-by-country basis (CBCR)

This is a consideration Carmignac increasingly integrates into our it engagements with corporates and in our it votes in support for more transparency via for example support for shareholder resolutions.

What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.



#1 Sustainable covers sustainable investments with environmental or social objectives.
#2 Not sustainable includes investments which do not qualify as sustainable investments.

A minimum proportion of 80% of this Sub-Fund's net asset is used to meet the sustainable objective of the Sub-Fund in accordance with the binding elements of the investment strategy.

The minimum levels of sustainable investments with environmental and social objectives are respectively 5% and 35% of the Sub-Fund's net assets.

The "#2 Not sustainable investments" include cash and derivative instruments, which may be used for hedging purposes, if applicable. These instruments are not used to achieve the sustainable objective of the Sub-Fund.

How does the use of derivatives attain the sustainable investment objective?

For attaining its sustainable objective, the Sub-Fund may invest directly in shares of companies, or use derivatives to achieve synthetic exposure to such companies and indices. In the case where single names derivatives are used for purposes other than hedging; i.e. investment purposes (to achieve synthetic exposure), the single security derivatives must be aligned with the SDGs, described above and included in our sustainable investment definition, for physical long positions.

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

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[9]?

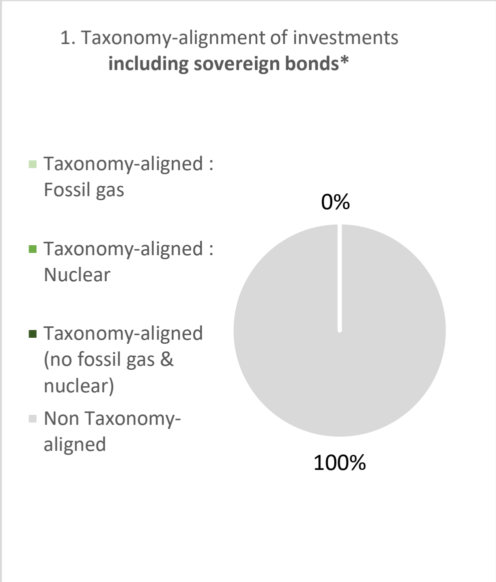
☐ Yes :

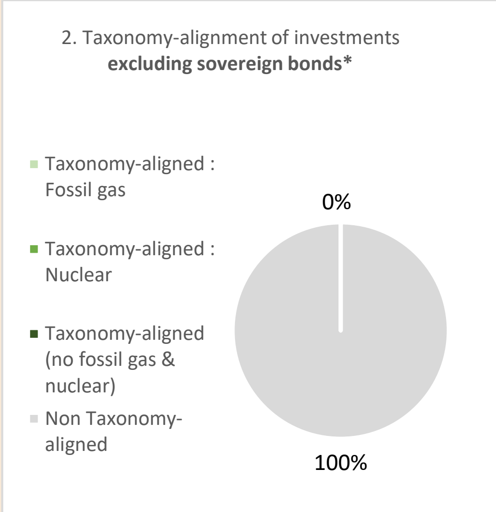
☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are 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.

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





*The graph represents 100% of the total investments.

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

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 ad among others have greenhouse gas emission levels corresponding to the best performance.

What is the minimum share of investments in transitional and enabling activities?
As the Sub-fund does not have a minimum Taxonomy alignment there is no current minimum share of transitional and enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum level of sustainable investments with environmental objectives that are not aligned with the EU Taxonomy is 5% of the Sub-Fund's equity assets.

What is the minimum share of sustainable investments with a social objective?

The minimum level of sustainable investments with social objectives is 35% of the Sub-Fund's net assets.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

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

In addition to sustainable investments, the Sub-Fund may invest in cash for liquidity management purposes and derivatives for hedging purposes.

Environmental, social and governance considerations into synthetic exposure have been integrated through the derivatives framework detailed below. The approach will depend on the type of derivatives instrument used by the Sub-Fund: single name derivative or index derivatives.

Single name derivatives

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

Index derivatives

Index derivatives purchased for hedging purposes are not analysed for ESG purposes.

The reference indicator of the Sub-Fund remains out of scope of this index derivatives framework, and is not considered for ESG purposes.

To the extent that the Sub-Fund may enter into short positions using derivatives, the Sub-Fund applies compensation calculation (netting of a long position with an equivalent issuer short positions using derivatives) for the purpose of measuring adverse impacts.

The investments included under "#2 Not sustainable" abide by our firm-wide negative screening framework for minimum safeguards.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

N/A.

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

N/A.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A.

***How does the designated index differ from a relevant broad market index*?**

N/A.

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

N/A.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A.

***How does the designated index differ from a relevant broad market index*?**

N/A.

Where can the methodology used for the calculation of the designated index be found?

N/A.

Where can I find more product specific information online?

More product-specific information can be found on the website:

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