

CARMIGNAC GESTION LUXEMBOURG

REPORT ON ANNUAL PROXY VOTING PROCESS

2018

Report issued on January 31st, 2019

INTRODUCTION

This report is issued once a year within the four months following the financial year-end closing. It provides quantitative and key information on how voting rights were exercised over the past year.

It states the number of companies in which Carmignac Gestion Luxembourg (“Carmignac” here after in the document) exercised its voting rights compared with the total number of companies in which it held voting rights. It also describes, if relevant, cases in which Carmignac Gestion Luxembourg assessed it could not follow principles set out in the Carmignac Proxy Voting Policy. Finally, it details, if relevant, potential conflicts of interest that Carmignac had to consider and manage, when exercising voting rights attached to shares held in portfolios, the company manages.

This report may be consulted upon request at Carmignac registered office.

SYNTHESIS OF PROXY VOTING POLICY PRINCIPLES

Carmignac is supported by an external service provider, in the voting process coordination. This appointed service provider is one of the world leaders on the market, ISS Governance. By appointing an external service provider, Carmignac expects to leverage on ISS Governance expertise regarding the analysis performed on submitted resolution during corporate meetings.

Moreover, Carmignac is conscious of economic, social and environmental concerns that issuers will face in the future. This is the reason why Carmignac decided to leverage on the principles set in the « sustainability » policy defined by ISS Governance.

Carmignac also exercises the voting rights attached to the securities held by the UCI it manages on behalf of unit holders and/or shareholders where there is a risk of companies changing their strategy, which may be evidenced by:

- a risk of a change in the majority shareholder;
- a risk of a merger / acquisition;
- a risk of a change in the management team;
- a risk of restructuring, etc.

It is also important to remind that one of Carmignac main objectives is to establish a sustainable relationship with company's government. As a consequence, Carmignac decides to focus on meetings, where the consolidated position of securities held by the UCI it manages on behalf of unit holders and/or shareholders can be assessed as "significant".

- *Carmignac does not provide a systematic definition of significant position, since several factors may be taken into account, such as the total position held at group level or in a single portfolio. Nevertheless, as an example, the following criteria may be used:*
 - o *The asset manager holds, via the portfolios it manages, a position which is above a certain threshold based on the capital of the issuer;*
 - o *The position of a fund in a financial instrument is above a threshold vis-à-vis the global exposure of such fund.*

In addition, Carmignac decides to take part to the vote, when the management team are convinced by the issuer further perspectives and, by way of consequence, the issuer is included in the strategic plan implemented by management team. That's why Carmignac can also participate in the vote, even if the consolidated position held by companies is not assessed as "significant".

QUANTITATIVE & KEY INFORMATION ON THE 2018 PROXY VOTING PROCESS

In 2018, Carmignac Gestion Luxembourg effectively used its voting rights and participate in 110 meetings (please refer to the name of companies listed below) when Carmignac got the ability to participate in the vote of a total of 145 meetings.

Carmignac Gestion Luxembourg participated in meetings and exercised his voting rights in accordance with principles set in its current proxy voting policy.

Moreover, it is important to specify that, in participating to vote in accordance with his proxy voting policy, Carmignac Gestion Luxembourg did not identify any potential conflicts of interest.

LIST OF MEETINGS IN WHICH CARMIGNAC GESTION LUXEMBOURG PARTICIPATED IN 2018

Tables below refer to the list of 110 meetings to which Carmignac Gestion Luxembourg participated in 2018 and to the detail of voted instructions:

ISS Meeting ID	Company Name	Meeting Date	Country	Number of portfolios	Total number of voted proposal	Instruction different from Sustainability Policy
1192923	HDFC Bank Limited	19-janv.-18	India	4	12	
1193339	Altran Technologies	26-janv.-18	France	4	16	
1190516	Siemens AG	31-janv.-18	Germany	3	51	
1200064	Hangzhou Hikvision Digital Technology Co., Ltd.	7-mars-18	China	2	26	
1197485	PTC Inc.	8-mars-18	USA	4	40	
1197802	Deutsche Konsum REIT-AG	8-mars-18	Germany	2	24	
1191454	Pandora A/S	14-mars-18	Denmark	2	46	
1203252	Bankinter S.A.	22-mars-18	Spain	2	26	
1198691	Samsung Electronics Co. Ltd.	23-mars-18	South Korea	4	44	
1201486	Soitec	23-mars-18	France	2	12	
1212484	North Atlantic Drilling Ltd.	5-avr.-18	Bermuda	1	1	
1195799	UniCredit SpA	12-avr.-18	Italy	4	52	
1182379	Vinci	17-avr.-18	France	2	38	
1211244	Informa plc	17-avr.-18	United Kingdom	4	4	
1210087	Vivendi	19-avr.-18	France	6	180	
1206448	Intuitive Surgical, Inc.	19-avr.-18	USA	2	22	
1197011	Teleperformance SE	20-avr.-18	France	4	72	
1206189	Noble Energy, Inc.	24-avr.-18	USA	2	24	
1213794	Alfa Financial Software Holdings PLC	24-avr.-18	United Kingdom	4	72	
1213585	London Stock Exchange Group plc	24-avr.-18	United Kingdom	4	104	
1212000	Grupo Financiero Galicia S.A.	24-avr.-18	Argentina	4	52	
1210141	Galapagos	24-avr.-18	Belgium	4	44	
1211981	EOG Resources, Inc.	24-avr.-18	USA	4	44	
1214659	Shire plc	24-avr.-18	Jersey	4	80	
1209570	Newmont Mining Corporation	25-avr.-18	USA	2	28	
1200168	Beiersdorf AG	25-avr.-18	Germany	2	16	
1204105	AIB Group PLC	25-avr.-18	Ireland	6	138	
1181691	ASML Holding NV	25-avr.-18	Netherlands	6	168	
1201830	Goldcorp Inc.	25-avr.-18	Canada	4	44	
1205284	The Weir Group PLC	26-avr.-18	United Kingdom	2	46	
1214203	Pampa Energia S.A.	27-avr.-18	Argentina	4	68	
1215846	Banco Macro S.A.	27-avr.-18	Argentina	4	88	
1215361	Altran Technologies	27-avr.-18	France	2	32	
1226069	Comp. Brasileira de Distrib. Grupo Pao de Acucar	27-avr.-18	Brazil	4	12	
1211222	Incyte Corporation	1-mai-18	USA	4	44	
1214189	Stryker Corporation	2-mai-18	USA	4	48	
1201198	Linde Aktiengesellschaft	3-mai-18	Germany	2	60	
1208822	Unilever NV	3-mai-18	Netherlands	2	52	
1218660	Reckitt Benckiser Group plc	3-mai-18	United Kingdom	8	152	8
1202512	Kerry Group plc	3-mai-18	Ireland	2	42	

ISS Meeting ID	Company Name	Meeting Date	Country	Number of portfolios	Total number of voted proposal	Instruction different from Sustainability Policy
1181671	BASF SE	4-mai-18	Germany	2	12	
1218488	Albemarle Corporation	8-mai-18	USA	4	56	
1205995	arGEN-X SE	8-mai-18	Netherlands	2	38	
1202263	Tessenderlo Group N.V.	8-mai-18	Belgium	4	24	
1199200	Commerzbank AG	8-mai-18	Germany	2	30	
1195706	Panalpina Weltransport (Holding) AG	8-mai-18	Switzerland	4	80	
1170898	IMCD NV	9-mai-18	Netherlands	2	42	
1200923	Franco-Nevada Corporation	9-mai-18	Canada	4	44	
1201724	Convatec Group Plc	10-mai-18	United Kingdom	2	42	
1201987	Wheaton Precious Metals Corp.	11-mai-18	Canada	4	44	
1230533	Hangzhou Hikvision Digital Technology Co., Ltd.	11-mai-18	China	4	66	
1202550	Lanxess AG	15-mai-18	Germany	4	96	
1193402	Pirelli & C. S.p.A	15-mai-18	Italy	2	18	
1195709	Vifor Pharma AG	15-mai-18	Switzerland	10	210	
1224044	Iliad	16-mai-18	France	2	50	
1221901	Wayfair Inc.	16-mai-18	USA	4	36	
1225104	Tencent Holdings Ltd.	16-mai-18	Cayman Islands	4	36	
1222488	Pioneer Natural Resources Company	17-mai-18	USA	4	60	
1181672	SAP SE	17-mai-18	Germany	4	48	
1202162	Morphosys AG	17-mai-18	Germany	6	48	
1222786	Concho Resources Inc.	17-mai-18	USA	4	24	
1225146	Prudential plc	17-mai-18	United Kingdom	2	58	
1219037	Intercontinental Exchange, Inc.	18-mai-18	USA	4	60	
1201128	Fresenius SE & Co KGaA	18-mai-18	Germany	2	20	2
1223721	ChemoCentryx, Inc.	21-mai-18	USA	2	10	
1223696	Spirit Airlines, Inc.	22-mai-18	USA	2	12	
1228366	Gocompare.com Group plc	22-mai-18	United Kingdom	2	38	
1226940	SM Energy Company	22-mai-18	USA	4	44	
1227312	Grubhub Inc.	24-mai-18	USA	8	40	
1182616	Dassault Aviation	24-mai-18	France	4	72	
1231591	Informa plc	25-mai-18	United Kingdom	4	96	
1229242	Amazon.com, Inc.	30-mai-18	USA	4	56	
1207280	Shopify Inc.	30-mai-18	Canada	4	40	
1234521	Appplus Services SA	30-mai-18	Spain	4	85	
1201677	ASR Nederland NV	31-mai-18	Netherlands	4	80	
1185387	Van LanschotKempenn NV	31-mai-18	Netherlands	2	44	
1237630	United Spirits Limited	3-juin-18	India	4	12	
1231918	Hermes International	5-juin-18	France	4	56	
1203238	Delivery Hero AG	6-juin-18	Germany	8	104	
1235036	Clovis Oncology, Inc.	7-juin-18	USA	4	28	

ISS Meeting ID	Company Name	Meeting Date	Country	Number of portfolios	Total number of voted proposal	Instruction different from Sustainability Policy
1233391	Splunk Inc.	7-juin-18	USA	4	24	
1228621	Sopra Steria Group	12-juin-18	France	4	160	
1233894	T-Mobile US, Inc.	13-juin-18	USA	4	64	
1235747	Celgene Corporation	13-juin-18	USA	4	64	
1202911	Cancom SE	14-juin-18	Germany	2	20	
1235699	MercadoLibre, Inc.	15-juin-18	USA	4	20	
1205541	Qiagen NV	19-juin-18	Netherlands	4	92	
1238333	Varta AG	19-juin-18	Germany	2	10	
1233958	ServiceNow, Inc.	19-juin-18	USA	4	28	4
1236056	Activision Blizzard, Inc.	26-juin-18	USA	4	48	4
1241240	Dermapharm Holding SE	26-juin-18	Germany	6	24	
1242717	Talend	26-juin-18	France	2	48	10
1240581	Cloudera, Inc.	27-juin-18	USA	2	8	
1211284	Oryx Petroleum Corporation Limited	27-juin-18	Canada	2	14	
1242359	Ubisoft Entertainment	27-juin-18	France	4	80	
1249638	Yandex NV	28-juin-18	Netherlands	8	88	
1242211	HDFC Bank Limited	29-juin-18	India	4	28	
1248780	Concho Resources Inc.	17-juil.-18	USA	4	4	
1237253	Nutrien Ltd.	19-juil.-18	Canada	4	76	
1208879	Pantaflix AG	25-juil.-18	Germany	2	20	
1240872	IndusInd Bank Limited	26-juil.-18	India	4	36	
1236493	Housing Development Finance Corp. Ltd.	30-juil.-18	India	4	52	
1250830	Electronic Arts Inc.	2-août-18	USA	4	44	
1260168	United Spirits Ltd.	7-sept.-18	India	4	8	
1241560	Ryanair Holdings Plc	20-sept.-18	Ireland	6	108	24
1267384	Pampa Energia SA	2-oct.-18	Argentina	4	12	
1262310	Van Lanschot Kempen NV	5-oct.-18	Netherlands	2	14	
1270234	Zayo Group Holdings, Inc.	6-nov.-18	USA	4	36	
1270174	ASOS Plc	29-nov.-18	United Kingdom	10	140	
1283821	Cloudera, Inc.	28-déc.-18	USA	2	4	

DETAILS OF INTRUCTIONS DIFFERENT FROM ISS GUIDELINES

Table below refers to the detail of Carmignac Gestion Luxembourg voting instructions that are different from ISS Guidelines. Those instructions are sorted by type of proposal.

<i>Company Name</i>	<i>Instruction different from Sustainability Policy</i>	<i>Rationale</i>
Compensation-Related		
Talend	2	Vote in accordance with management recommendation
Director Election		
Activision Blizzard, Inc.	4	Vote in accordance with management recommendation
Nutrien Ltd.	4	Vote in accordance with management recommendation
Ryanair Holdings Plc	24	Vote in accordance with management recommendation
Talend	6	Vote in accordance with management recommendation
Equity Compensation Plan		
Talend	2	Vote in accordance with management recommendation
Remuneration Policy & Implementation		
Reckitt Benckiser Group plc	8	Vote in accordance with management recommendation
ServiceNow, Inc.	4	Vote in accordance with management recommendation
Routine Business		
Fresenius SE & Co KGaA	2	Vote in accordance with management recommendation
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DETAILS OF INTRUCTIONS IDENTIFIED AS « E&S »

Table below refers to the detail of Carmignac Gestion Luxembourg voting instructions that have been identified as “E&S” (proposal that made in accordance with an “environmental” or “social” objective). Those instructions are sorted by type of proposal.

<i>Company Name</i>	<i>Proposition with Environnement & Social Aspect</i>	<i>Rationale</i>
<i>Non-Routine Business - E&S Proposal</i>		
Alfa Financial Software Holdings PLC	4	Vote in line with ISS Sustainability Policy Guidelines
London Stock Exchange Group plc	4	Vote in line with ISS Sustainability Policy Guidelines
Reckitt Benckiser Group plc	8	Vote in line with ISS Sustainability Policy Guidelines
Convatec Group Plc	2	Vote in line with ISS Sustainability Policy Guidelines
Prudential plc	2	Vote in line with ISS Sustainability Policy Guidelines
Gocompare.com Group plc	2	Vote in line with ISS Sustainability Policy Guidelines
<i>Shareholders - Social/Environmental</i>		
Informa plc	4	Vote in line with ISS Sustainability Policy Guidelines
Amazon.com, Inc.	4	Vote in line with ISS Sustainability Policy Guidelines
	30	