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

Product name: CARMIGNAC PORTFOLIO HUMAN XPERIENCE **Legal entity identifier:** 5493007I0FW5LM416K24

Sustainable investment objective

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.

Does this financial product have a sustainable investment objective?	
☒ **Yes**	☐ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **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:** 80%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What is the sustainable investment objective of this financial product?

This Sub-Fund is classified as a financial product, as described in Article 9 of Sustainable Finance Disclosure Regulation ("SFDR"). It is a social thematic fund with a sustainable investment objective to invest 80% of the portfolio's net assets in companies that rank in the top 30% of the investable universe based on customer and employee satisfaction data.

The extra-financial component of the analysis primarily draws on publicly disclosed information from 1. Employee Engagement Surveys; 2. Real-time/news flow and 3. Reported company social metrics.

The ratings and selection process are an integral part of fundamental company analysis and is conducted according to our proprietary model based 50% on customer experience and 50% on employee experience.

There has been no reference benchmark designated for the purposes of showing the attainment of the sustainable investment objective. The objective is an absolute target to invest at least 80% of the portfolio's net assets into companies on a continuous basis that obtain a score from 1 to 30 out of 100 inthe investable universe based on customer and employee satisfaction data.

The attainment of the sustainable objective is ensured on a continuous basis through real time 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?

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

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.

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

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

ii) Fund-specific: Exclusion of companies rated above 30/100 on customer and employee satisfaction. Specifically, this Sub-Fund has a sustainable investment objective to achieve a positive social outcome by investing 80% of the portfolio's net assets in companies that obtain a score from 1 to 30 out of 100 in the investable universe based on customer and employee satisfaction data according to our proprietary database. The extra-financial component of the analysis primarily draws on publicly disclosed information made public from :

1. Employee Engagement Surveys,
2. Real-time/news flow,
3. Reported company social metrics.

3) Minimum of Sustainable investments: The Sub-Fund has a sustainable investment objective to achieve a positive social outcome by investing 80% of the portfolio's net assets in companies that rank in the top 30% of the investable universe based on customer and employee satisfaction data according to our proprietary database. The extra-financial component of the analysis primarily draws on publicly disclosed information made public from :

1. Employee Engagement Surveys,
2. Real-time/news flow,
3. Reported company social metrics.

4) Active stewardship: ESG-related company engagements contributing to better awareness orimprovement 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) 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) Fund-specific: Exclusion of companies rated above 30/100 on customer and employee satisfaction. Specifically, this Sub-Fund has a sustainable investment objective to achieve a positive social outcome by investing 80% of the portfolio's net assets in companies that obtain a score from 1 to 30 out of 100 in the investable universe based on customer and employee satisfaction data according to our proprietary database. The extra-financial component of the analysis primarily draws on publicly disclosed information made public from :

1. Employee Engagement Surveys,
2. Real-time/news flow,
3. Reported company social metrics.

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. 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 Carmignac 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?

✖ Yes

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.

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, 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.

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, SFDR Level II), the statement on principal adverse impacts of investment decisions on sustainability factors. This info will be disclosed in annual reports.

What investment strategy does this financial product follow?

In order to achieve its investment objective, the Sub-Fund seeks to invest in equities of companies that exhibit strong 'human experience' characteristics. The investment theme is based on the conviction that companies with strong employee experience and customer experience will achieve superior long-term revenues. The Sub-Fund adopts a best-in-class sustainable investment approach to investment with a prominent focus on investee companies' social and environmental practices, by selecting the best issuers in the investable universe based on their differentiating management of customer and employee satisfaction.

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 Sub-Fund has a sustainable investment objective to achieve a positive social outcome by investing 80% of the portfolio's net assets in companies that obtain a score from 1 to 30 out of 100 in the investable universe based on customer and employee satisfaction data.

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

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 20%. The full process of the reduction of the investment universe is found in the corresponding Transparency Code on the Carmignac website. The starting investment universe is the MSCI ACWI, reduced by the number of companies for which there is not yet sufficient input from surveys, newsflows and filings, filtered through the liquidity and SRI exclusions, to obtain the investable universe (companies with a social score between 1 and 30/100 according to our proprietary scoring system).

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) Fund-specific: Exclusion of companies rated above 30/100 on customer and employee satisfaction. Specifically, this Sub-Fund has a sustainable investment objective to achieve a positive social outcome by investing 80% of the portfolio's net assets in companies that obtain a score from 1 to 30 out of 100 in the investable universe based on customer and employee satisfaction data according to our proprietary database. The extra-financial component of the analysis primarily draws on publicly disclosed information made public from :

1. Employee Engagement Surveys,
2. Real-time/news flow,
3. Reported company social metrics.

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.

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 objective are:

- 80% of the Sub-Fund's net assets are invested in companies that obtain a score from 1 to 30 out of 100 in the investable universe based on customer and employee satisfaction data;
- The equity investment universe is actively reduced by at least 20%; and
- ESG analysis applied to at least 90% of issuers.

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.

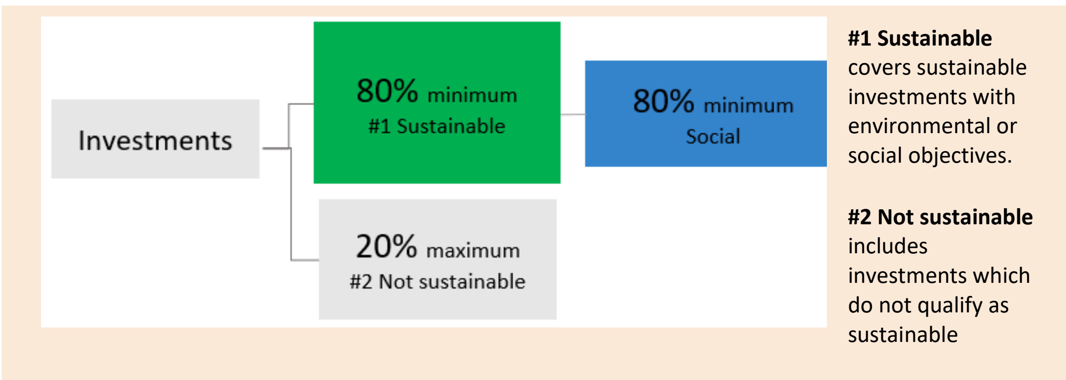
In addition, as signatory of the PRI, we Carmignac would expect from the companies it invest in to:

- Publish a global tax policy that outlines the company's approach to responsible tax;
- Report on tax governance and risk management processes; and
- 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.



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

The "# 2 Not sustainable investments" include cash and derivative instruments, which may be used for hedging, 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?

The Sub-Fund may use single stock derivatives, as well as derivatives on a basket of underlying stocks, to attain the sustainable objective. Firm-wide exclusions are applied and the issuers of the underlying securities of such derivatives are subject to the same ESG selection process as is applied to direct investments.

In addition, 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 illustrating the ESG rating of the portfolio, carbon emissions and for measuring adverse impacts.

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.

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[16]?

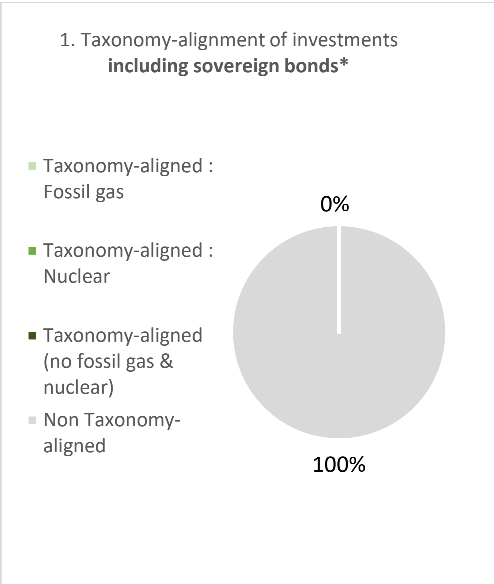
☐ Yes :

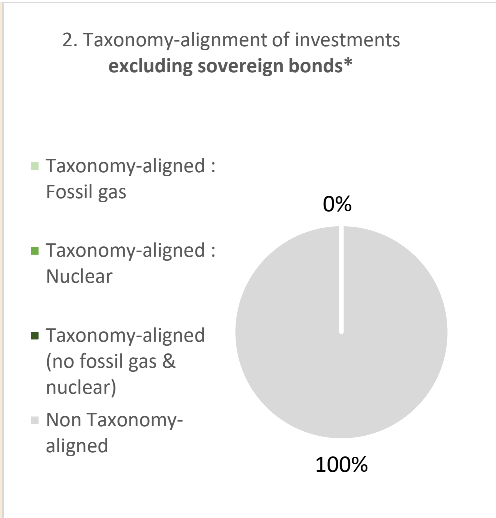
☐ In fossil gas ☐ In nuclear energy

☒ 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.

[16] 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.

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

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?

N/A

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

The minimum share of socially sustainable investments with a social objective is 80% of the Sub-Fund's net assets.
To the extent the Sub-Fund be invested in fixed income, the ESG analysis process (ESG integration, hard exclusions, voting, engagement...) and minimum social rating according to our proprietary database (1 to 30 out of 100) would be adhered to as well.

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

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

To the extent that the Sub-Fund enters into short positions by using single issuer derivative instruments, the firm-wide exclusions are applied.

The derivatives on single issuers are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy (“norms-based”) screening. More precisely, the investments are subject to a screening of minimum safeguards to ensure that their business activities are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

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

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

- ***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-portfolio-human-xperience/a-eur-acc/fund-overview-and-characteristics