



# ANNUAL REPORT

OF THE FRENCH MUTUAL FUND (FCP)  
CARMIGNAC CHINA NEW ECONOMY

(For the period ended 31 December 2024)

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**Disclaimer:**

*This document is a translation of the annual report ("the report") of the fund, which was prepared in French. The translation is provided for informational purposes only and is not intended to be legally binding. In the event of any discrepancies, inconsistencies, or misunderstandings arising from the translation, the original version of the report shall prevail.*

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*Please refer to the original version of the report for the most accurate and comprehensive information.*

# 1. STATUTORY AUDITOR'S CERTIFICATION



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92066 Paris La Défense Cedex  
France

**French mutual fund (FCP)**  
**CARMIGNAC CHINA NEW ECONOMY**

24, place de Vendôme – 75001 Paris

**Statutory auditor's report on the annual financial statements**

Financial year ended 31 December 2024

To the unitholders,

**Opinion**

As appointed by the management company, we have audited the annual financial statements of the CARMIGNAC CHINA NEW ECONOMY undertaking for collective investment, established as a French mutual fund (FCP), for the financial year ended 31 December 2024, 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 30 December 2023 to the date on which our report was issued.



### **Observation**

Without casting doubt on the opinion expressed above, we draw your attention to the consequences of the change in accounting method described in the notes to the financial statements, and to the section entitled "Valuation method for certain financial instruments".

### **Justification of the evaluations**

In accordance with the provisions of Articles L.821-53 and R.821-180 of the French Commercial Code regarding the justification of our evaluations, we hereby inform you that our most important evaluations, in our professional opinion, were focused on the appropriateness of the accounting principles applied, particularly as regards financial instruments held in the portfolio, and on whether all accounts were presented as per the accounting standards applicable to open-ended investment funds.

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.

### **Verification of the management report drawn up by the management company**

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.

### **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**

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.821-55 of the French Commercial Code, our role as auditors is not to guarantee the viability or quality of management of your FCP.

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;
- 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.

Paris La Défense

KPMG S.A.

Signature numérique de  
Amaury Couplez  
KPMG le 11/04/2025 15:15:38



Amaury Couplez  
Partner

## 2. FEATURES OF THE FUND

### 2.1 DETERMINING AND ALLOCATING DISTRIBUTABLE INCOME

Distributable income	"F EURO Acc" and "I EURO 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)

### 2.2 COUNTRIES IN WHICH THE FUND IS AUTHORISED FOR DISTRIBUTION

F EURO ACC units: Germany, Austria, Belgium, Spain, France, Italy, Luxembourg, Sweden, Switzerland.

I EURO Acc units: Germany, Austria, Belgium, Spain, France, Italy, Luxembourg, Sweden, Switzerland.

### 2.3 INVESTMENT OBJECTIVE

Carmignac China New Economy is an investment fund whose objective is to achieve a performance, net of fees, above that of the MSCI China Index over a recommended investment horizon of five years. The fund primarily invests in equities issued by companies or issuers that have their registered office or carry out a significant part of their business in the Greater China region, which includes Mainland China, Hong Kong, Macao, Taiwan and Singapore ("Greater China").

The reference to the "New Economy" reflects the portfolio manager's desire to invest in a privileged manner in sectors not explicitly linked to the purely exporting component of the economy or to traditional commodities. This involves being present mainly, but not solely, in sectors linked to consumption, low-carbon energy, technological innovation and the phenomena of urban migration and rising living standards.

### 2.4 REFERENCE INDICATOR

The fund's reference indicator is the MSCI China Index (USD), net dividends reinvested, converted into EUR (Bloomberg code: NDEUCHF) (the "Reference Indicator"). The MSCI China is an index that represents the Chinese large and mid-cap company universe via H and B shares as well as equities listed on foreign markets (e.g. ADRs).

The Reference Indicator also includes large caps listed on the A market for up to 20% of their free float-adjusted market capitalisation. The weighting of these equities may vary on the decision of the administrator of the Reference Indicator. The fund's investment universe is at least partially inspired by this indicator in terms of allocation across different regions, sectors and market capitalisation levels.



However, the fund's investment strategy is not dependent upon it. Therefore, the fund's positions and their weightings may deviate substantially from the composition of the Reference Indicator. There is no limit set on the level of such deviation.

The administrator of the reference indicator, MSCI Limited (<http://www.msci.com>), 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. In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company applies a reference indicator monitoring procedure that describes the measures to be taken in the event of a major change to an indicator or if the indicator is discontinued.

However, the Reference Indicator serves as one with which investors can compare the fund's performance and risk profile over its recommended investment horizon.

## **2.5 INVESTMENT STRATEGY**

### **2.5.1 STRATEGIES USED**

The fund is managed on a discretionary basis and its investment strategy is implemented mainly through a portfolio of direct investments in Chinese equities. The investment strategy is applied without restriction in terms of allocation by sector, type or size of security.

In all cases, at least 75% of the assets will be invested directly or indirectly in equities issued by companies or issuers having their registered office or carrying out the bulk of their business in Greater China.

Stock selection is based on detailed financial analysis, meetings organised by companies, visits made to these companies and daily news. Depending on the situation, the criteria used for stock selection are the value of the assets, return, growth and quality of the management, in particular.

The allocation of the portfolio between the different asset classes (including investment funds) is based on fundamental analysis of the global macroeconomic environment and, more specifically, of Greater China and of its indicators (growth, inflation, deficits, etc.) and may vary according to the portfolio manager's expectations.

To achieve the investment objective, the portfolio manager may use futures instruments (derivatives) on equity, foreign exchange and fixed income markets.

## **2.6 DESCRIPTION OF ASSET CATEGORIES AND FINANCIAL CONTRACTS AS WELL AS THEIR CONTRIBUTION TO THE INVESTMENT OBJECTIVE BEING ACHIEVED**

### **2.6.1 EQUITIES**

At least 75% of the assets will be invested in equities issued by companies or issuers having their registered office or carrying out the bulk of their business in Greater China. At least 60% of the fund's net assets will be permanently exposed, directly or indirectly, to equities and other securities giving or capable of giving direct or indirect access to capital or voting rights, including via other instruments. The net assets of the fund may be invested in small, mid and large caps (with a respective capitalisation of under

2 billion, of between 2 and 10 billion, and greater than 10 billion euros or dollars) and in all sectors. Investment in small caps is limited to 30% of the fund's net assets.

### **2.6.2 CURRENCIES**

Net exposure to currencies other than the fund's valuation currency, including the following; USD, CNH, CNY, SGD, GBP, HKD, or TWD, generated through derivatives, may reach 125% of the net assets and may differ from that of the Fund's Reference Indicator. The fund will use currency derivatives mainly for hedging purposes, and marginally, for exposure or in relative terms.

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

Up to 25% of the fund's net assets may be invested in (i) fixed or variable rate euro-denominated money-market instruments issued by public entities; or (ii) sovereign bonds issued by a Eurozone country, of at least investment grade according to the scale of the main rating agencies or of a rating deemed to be equivalent by the Management Company. No asset allocation constraints shall apply.

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.

### **2.6.4 CASH BORROWINGS**

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.

### **2.6.5 DERIVATIVES**

In order to achieve its investment objective, the fund may invest on a discretionary basis in futures traded on Eurozone and international – including emerging – markets, for exposure or hedging purposes.

The other derivatives that may be used by the portfolio manager for hedging or exposure purposes are CFD (contracts for difference), OTC forwards, currency forwards, options (vanilla or barrier) and swaps involving one or more underlying risks/instruments in which the fund manager may invest.

These derivatives allow the portfolio manager to hedge the fund against equity, currency, interest rate and financial ETF risks, while respecting the portfolio's overall constraints, relating to the fund's net asset limits for each category, unless any other restrictions apply.

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

The fund may invest in securities with embedded derivatives (in particular warrants, subscription certificates and P-Notes) traded on international regulated, organised or OTC markets. In all cases, the amounts invested in securities with embedded derivatives may not exceed 10% of the net assets.

#### **2.6.7 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, or foreign investment funds, provided that the foreign UCITS, AIFs or investment funds meet the criteria set out in 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.

#### **2.6.8 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.

#### **2.6.9 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. The transactions consist of securities repurchase and reverse repurchase transactions and 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.

## 2.7 CONTRACTS AS COLLATERAL

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 exposure to global 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 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.

## 2.8 RISK PROFILE

The risk profile of the fund is to be considered over an investment horizon of more than 5 years. Potential investors must be aware that the assets of the fund are subject to the fluctuations of the international markets and to the risks inherent in investments in transferable securities in which the fund invests.

- a) Risk associated with investments in Greater China (including Mainland China, Hong Kong, Macao, Taiwan and Singapore):** investments in Greater 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 exposed to risk associated with investments made via the Hong Kong Shanghai Connect and Hong Kong Shenzhen Connect platforms, which make it possible to invest through the Hong Kong market in more than 500 stocks listed in Shanghai and Shenzhen. This system inherently involves higher counterparty and securities delivery risks.
- b) 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.
- c) 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.
- d) 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.
- e) 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.
- 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) 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 have to liquidate, initiate or modify its positions.

- h) 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.
- i) Capitalisation risk:** the fund may be exposed to equity markets for small and mid-caps (with a capitalisation below 2 billion or between 2 and 10 billion euro or US dollars, respectively). 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.
- j) 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.
- k) Risk 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.
- l) 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.
- m) 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.
- n) 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 in the "Responsible Investment" section of the management company's website: <https://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: <https://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 :<https://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 appropriate, 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 therefore the key factors studied. Companies' approach to accounting, tax and anti-corruption practices is also checked.

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.



## 2.9 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.

As the fund is mainly invested, directly or indirectly, in equities issued by companies or issuers that have their registered office or carry out a significant part of their business in Greater China (all caps), it is aimed at all types of natural person and legal entity investors wishing to diversify their investments in these securities.

The minimum recommended investment period in the fund is more than five years.

The amount that is appropriate to invest in this fund depends on the personal situation of each investor. To determine this amount, investors' personal wealth, their cash requirements now and five years from now as well as their degree of risk aversion must all be taken into account. It is recommended that investors seek professional advice with a view to diversifying their investments and deciding on the proportion of their financial portfolio or wealth that should be invested in this fund. It is also recommended that investments be sufficiently diversified so as to avoid exposure exclusively to the risks of this fund.

# 3. INVESTMENT POLICY

## 3.1 FUND COMMENTARY



In 2024, the fund posted an annual performance of +1.42% (I EUR Acc units – ISIN FR0013467024) compared with +27.39% for its reference indicator (MSCI China Index (USD) net dividends reinvested, converted into EUR, Bloomberg code NDEUCHF).

Chinese markets had a mixed performance in 2024 but ended the year rising sharply.

Markets began the year against a backdrop of disappointing economic data and persistent deflationary pressures, despite the Chinese government's announcement of measures to support equity markets and implement monetary easing through a reduction in the reserve requirement ratio.

Improved manufacturing data and a short-lived rapprochement between China and the US – marked by the visit of US Secretary of State Antony Blinken – subsequently led to a relief rally in the second quarter of 2024.

In the second half of 2024, the US presidential elections caused some volatility on Chinese markets. Donald Trump's re-election and the risks associated with tariffs weighed on Chinese markets in the latter part of the year.

To counter the negative news, the Chinese authorities announced a series of measures (monetary easing, as well as support for the equity and property markets) on 24 September in a bid to draw a line under the slowdown in the Chinese economy and stimulate market sentiment. These initial announcements were followed by additional fiscal measures including new issues of special central government bonds and an acceleration in budget spending.

Chinese markets responded with a strong rebound (the MSCI China rose by 22%, the CSI 300 by 32% and the Hang Seng Chinese Enterprises Index by 17% in USD terms between 23 September and 8 October), ending the year in positive territory.

Against this background, the fund recorded a slightly positive performance – albeit well below that of its reference indicator.

The main beneficiaries of the Chinese government's stimulus measures were state-owned companies (particularly those listed on the domestic market) and cyclical stocks (such as property and banks) with opaque corporate governance, which we do not hold in our portfolio.

In addition, given our cautious stance on China's economic trajectory on the one hand, and our constructive view on the structural trend in AI on the other, we decided to diversify the fund's exposure with a sizeable allocation to Taiwan (23% average exposure over 2024). Despite a positive performance over the year as a whole, our exposure to Taiwan detracted from the fund's relative performance at the time of the sharp rebound in the Chinese market following the stimulus announcements in September and October.

The main detractor from performance during the year was New Horizon Health, a health technology company specialising in cancer screening. The stock has been held in the portfolio since October 2021. The share was suspended from trading on 28 March due to a delay in the publication of its half-yearly accounts following a disagreement on sales accounting methods between the company and its auditor, Deloitte. This occurred in the context of the anti-corruption campaign in China. Carmignac revalued the position by applying a significant discount to the last valuation of the share, which impacted the fund's performance.

In the end, the biggest contributor to performance in 2024 was Taiwan Semiconductor – a leader in foundries and the top-ranked company in our portfolio. Its key position in the artificial intelligence value chain and its technological advances have enabled it to achieve significant, healthy and sustainable growth.

Source: Carmignac, Bloomberg, 31/12/2024

## 3.2 TABLE SHOWING THE ANNUAL PERFORMANCE OF THE DIFFERENT CARMIGNAC CHINA NEW ECONOMY UNITS OVER 2024

Units	ISIN	Currency	Performance 2024	Reference indicator*
F EUR ACC	FR0014002E46	EUR	+1.11%	+27.39%
I EUR ACC	FR0013467024	EUR	+1.42%	+27.39%

\*MSCI China Index (USD), net dividends reinvested, converted into EUR

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

## 3.3 MAIN CHANGES TO THE PORTFOLIO DURING THE YEAR

Holding	Movement ("Accounting currency")	
	Acquisitions	Disposals
EHANG HOLDINGS LTD-SPS ADR	2,898,529.15	6,303,145.26
TAIWAN SEMICONDUCTOR-SP ADR	2,219,779.28	5,076,725.19
DIDI GLOBAL INC	852,679.42	5,233,580.76
PROSUS NV	1,363,100.12	2,994,159.77
MINISO GROUP HOLDING LTD-ADR	531,259.15	3,627,155.06
TAIWAN SEMICONDUCTOR MANUFAC	2,516,491.33	1,558,517.54
TAL EDUCATION ADR	988,639.07	2,912,414.12
EASTERN AIR LOGISTICS CO L-A	1,884,362.02	1,930,466.04
MEDIATEK INC	1,418,239.27	2,337,809.30
NEW ORIENTAL EDUCATIO-SP ADR	1,182,253.71	2,465,336.27

### **3.4 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.

## 4. REGULATORY INFORMATION

### 4.1 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 UCIs 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.

### 4.2 NON-FINANCIAL CHARACTERISTICS

As of 31 December 2024, the financial product was classified under Article 8 of the EU SFDR. The required regulatory information is included in the appendix to this report.

### 4.3 OVERALL RISK CALCULATION METHOD

The fund's overall risk is calculated using the commitment method.

### 4.4 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.

#### 4.4.1 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.

#### 4.4.2 2023 FINANCIAL YEAR

The implementation of the remuneration policy for 2023 has been assessed internally and independently to check compliance with the remuneration policies and procedures adopted by Carmignac Gestion's Board of Directors.

#### 4.4.3 2024 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)).

2024	
Number of employees	170
Fixed salaries paid in 2024	14,814,665.53 €
Total variable remuneration paid in 2024	38,348,894.36 €
Total remuneration paid in 2024	53,163,559.89 €
> of which risk takers	39,937,571.06 €
> of which non-risk takers	13,225,988.83 €

### 4.5 LEVERAGE

Gross gearing used by the AIF: 101.55%.

Net gearing used by the AIF: 100.00%.

## 4.6 SUBSTANTIAL CHANGES DURING THE YEAR

As of 1 February 2024, the category “Financial management and administration fees external to the management company” was replaced by the category “Operating and service expenses” calculated on the basis of a flat rate established by the management company and taking into account the various categories of underlying expenses, as described in the fund’s prospectus.

On 27 September 2024, a number of changes were made to the portfolio’s SFDR annex. These changes were:

- The climate target, specifying that the fund is aiming for a gradual reduction in emissions from its portfolio of 50% in 2030, 70% in 2040 and to achieve net zero by 2050.
- Adjustment of START (Carmignac’s proprietary ESG rating tool) rating ranges to reduce the investment universe.
- The addition of an ESG analysis framework specific to derivatives.

# CARMIGNAC CHINA NEW ECONOMY BALANCE SHEET

Balance sheet Assets at 31/12/2024 in EUR	31/12/2024
<b>Net tangible fixed assets</b>	<b>0.00</b>
<b>Financial instruments</b>	
<b>Equities and similar securities (A)</b>	<b>23,616,577.63</b>
Traded on a regulated or similar market	23,616,577.63
Not traded on a regulated or similar market	0.00
<b>Bonds convertible into equities (B)</b>	<b>0.00</b>
Traded on a regulated or similar market	0.00
Not traded on a regulated or similar market	0.00
<b>Bonds and similar securities (C)</b>	<b>0.00</b>
Traded on a regulated or similar market	0.00
Not traded on a regulated or similar market	0.00
<b>Debt securities (D)</b>	<b>0.00</b>
Traded on a regulated or similar market	0.00
Not traded on a regulated or similar market	0.00
<b>Units of UCIs and investment funds (E)</b>	<b>0.00</b>
UCITS	0.00
AIFs and equivalent funds of other European Union member states	0.00
Other UCIs and investment funds	0.00
<b>Deposits (F)</b>	<b>0.00</b>
<b>Forward financial instruments (G)</b>	<b>0.00</b>
<b>Temporary transactions on securities (H)</b>	<b>0.00</b>
Receivables on financial securities received under a repurchase agreement ( <i>pension</i> )	0.00
Receivables on securities pledged as collateral	0.00
Receivables on financial securities lent	0.00
Financial securities borrowed	0.00
Financial securities transferred under repurchase agreements ( <i>pension</i> )	0.00
Other temporary transactions	0.00
<b>Loans (I) (*)</b>	<b>0.00</b>
<b>Other eligible assets (J)</b>	<b>0.00</b>
<b>Sub-total eligible assets I = (A+B+C+D+E+F+G+H+I+J)</b>	<b>23,616,577.63</b>
<b>Receivables and accrued income</b>	<b>8,673.91</b>
<b>Financial accounts</b>	<b>722,925.23</b>
<b>Sub-total assets other than eligible assets II</b>	<b>731,599.14</b>
<b>Total assets I+II</b>	<b>24,348,176.77</b>

(\*) This section does not apply to the UCI under review.



Balance sheet Liabilities at 31/12/2024 in EUR	31/12/2024
<b>Equity:</b>	
Share capital	22,974,908.54
Retained net earnings	0.00
Retained net realised capital gains and losses	0.00
Net profit/(loss) for the financial year	319,532.67
<b>Equity I</b>	<b>23,294,441.21</b>
<b>Financing liabilities II (*)</b>	<b>0.00</b>
<b>Equity and financing liabilities (I+II)</b>	<b>23,294,441.21</b>
<b>Eligible liabilities:</b>	
<b>Financial instruments (A)</b>	<b>0.00</b>
Sales of financial instruments	0.00
Temporary transactions on financial securities	0.00
<b>Forward financial instruments (B)</b>	<b>0.00</b>
<b>Borrowings (C) (*)</b>	<b>0.00</b>
<b>Other eligible liabilities (D)</b>	<b>0.00</b>
<b>Sub-total eligible liabilities III = (A+B+C+D)</b>	<b>0.00</b>
<b>Other liabilities:</b>	
Payables and deferred payments	1,053,735.56
Bank loans	0.00
<b>Sub-total other liabilities IV</b>	<b>1,053,735.56</b>
<b>Total liabilities: I+II+III+IV</b>	<b>24,348,176.77</b>

(\*) This section does not apply to the UCI under review.

# CARMIGNAC CHINA NEW ECONOMY INCOME STATEMENT

INCOME STATEMENT AS AT 31/12/2024 (IN EUR)	31/12/2024
<b>Net financial income</b>	
<b>Income from financial transactions:</b>	
Income from equities	406,104.59
Income from bonds	0.00
Income from debt securities	0.00
Income from UCI units	0.00
Income from financial futures	0.00
Income from temporary transactions on securities	0.00
Income from loans and receivables	0.00
Income from other eligible assets and liabilities	0.00
Other financial income	54,198.31
<b>Sub-total income from financial transactions</b>	<b>460,302.90</b>
<b>Payables on financial transactions:</b>	
Payables on financial transactions	0.00
Payables on financial futures	0.00
Payables on temporary transactions on securities	0.00
Payables on borrowing	0.00
Payables on other eligible assets and liabilities	0.00
Payables on financing liabilities	0.00
Other payables	-5,599.81
<b>Sub-total payables on financial transactions</b>	<b>-5,599.81</b>
<b>Total net financial income (A)</b>	<b>454,703.09</b>
<b>Other income:</b>	
Retrocession of management fees to the fund	0.00
Payments under capital or performance guarantees	0.00
Other income	0.00
<b>Other expenses:</b>	
Management company fees	-321,058.38
Audit and research fees for private equity funds	0.00
Taxes	0.00
Other expenses	0.00
<b>Sub-total other income and other expenses (B)</b>	<b>-321,058.38</b>
<b>Sub-total net income prior to income equalisation account (C = A-B)</b>	<b>133,644.71</b>
<b>Net income equalisation for the financial year (D)</b>	<b>-9,182.94</b>
<b>Sub-total net income I = (C+D)</b>	<b>124,461.77</b>
<b>Net realised capital gains or losses prior to the income equalisation account:</b>	
Realised capital gains or losses	-7,244,298.04
External transaction and disposal fees	-352,032.06
Research fees	-9,613.52
Share of realised capital gains returned to insurers	0.00
Insurance indemnities received	0.00
Payments under capital or performance guarantees received	0.00
<b>Sub-total net realised capital gains or losses prior to the income equalisation account (E)</b>	<b>-7,605,943.62</b>
<b>Equalisation of net realised capital gains or losses (F)</b>	<b>2,825,338.60</b>
<b>Net realised capital gains or losses II = (E+F)</b>	<b>-4,780,605.02</b>

INCOME STATEMENT AS AT 31/12/2024 (IN EUR)	31/12/2024
<b>Net unrealised capital gains or losses prior to the income equalisation account:</b>	
Change in unrealised capital gains or losses including exchange differences on eligible assets	6,250,257.37
Exchange differences on foreign currency financial accounts	-17,745.26
Payments receivable under capital or performance guarantees	0.00
Share of unrealised capital gains to be returned to insurers	0.00
<b>Sub-total of net unrealised capital gains or losses prior to the income equalisation account (G)</b>	<b>6,232,512.11</b>
<b>Equalisation of net unrealised capital gains or losses (H)</b>	<b>-1,256,836.19</b>
<b>Net unrealised capital gains or losses III = (G+H)</b>	<b>4,975,675.92</b>
<b>Interim dividends:</b>	
Interim dividends paid on net income for the year (J)	0.00
Interim dividends paid on net realised capital gains or losses for the year (K)	0.00
<b>Total interim dividends paid for the financial year IV = (J+K)</b>	<b>0.00</b>
<b>Income tax V (*)</b>	<b>0.00</b>
<b>Net profit/loss I + II + III + IV + V</b>	<b>319,532.67</b>

(\*) This section does not apply to the UCI under review.

# NOTES TO THE FINANCIAL STATEMENTS OF CARMIGNAC CHINA NEW ECONOMY

## A. GENERAL INFORMATION

### A1. CHARACTERISTICS AND ACTIVITY OF THE UCITS WITH VARIABLE CAPITAL

#### A1a. INVESTMENT STRATEGY AND PROFILE

Carmignac China New Economy is an investment fund whose objective is to achieve a performance, net of fees, above that of the MSCI China Index over a recommended investment horizon of five years. The fund primarily invests in equities issued by companies or issuers that have their registered office or carry out a significant part of their business in the Greater China region, which includes Mainland China, Hong Kong, Macao, Taiwan and Singapore ("Greater China").

The reference to the "New Economy" reflects the portfolio manager's desire to invest in a privileged manner in sectors not explicitly linked to the purely exporting component of the economy or to traditional commodities. This involves being present mainly, but not solely, in sectors linked to consumption, low-carbon energy, technological innovation and the phenomena of urban migration and rising living standards.

These characteristics are fully and accurately described in the fund's prospectus and management regulations.

## A1b. CHARACTERISTICS OF THE FUND OVER THE LAST FIVE FINANCIAL YEARS

	31/12/2020	31/12/2021	30/12/2022	29/12/2023	31/12/2024
<b>Total net assets in EUR</b>	<b>167,530,562.59</b>	<b>150,350,497.74</b>	<b>94,545,665.47</b>	<b>56,242,929.28</b>	<b>23,294,441.21</b>
<b>F EUR Acc units in EUR</b>					
Net assets	0.00	16,411,090.05	8,821,342.58	7,539,718.11	1,560,281.13
Number of units	0.00	258,314.471	144,263.031	158,488.315	32,437.315
Net asset value per unit	0.00	63.53	61.14	47.57	48.10
Accumulation per unit on net capital gains and losses	0.00	-11.11	-26.18	-11.83	-9.89
Accumulation per unit on income	0.00	-0.25	-0.41	-0.18	0.12
<b>I EUR Acc units in EUR</b>					
Net assets	167,530,562.59	133,939,407.69	85,724,322.89	48,703,211.17	21,734,160.08
Number of units	866,406.323	980,371.088	649,953.361	473,173.462	208,207.029
Net asset value per unit	193.36	136.62	131.89	102.92	104.38
Accumulation per unit on net capital gains and losses	65.65	6.37	-56.35	-25.58	-21.41
Accumulation per unit on income	-9.97	-0.87	-0.54	-0.05	0.57

## A2. ACCOUNTING METHODS AND RULES

The annual financial statements have been drawn up for the first time in the form required by ANC Regulation 2020-07, as amended by ANC Regulation 2022-03.

1 Changes in accounting methods, including presentation, in connection with the application of the new accounting regulation on the annual financial statements of undertakings for collective investment with variable capital (amended ANC regulation 2020-07).

This new regulation requires changes in accounting methods, including changes in the presentation of the annual financial statements. It is therefore not possible to compare them with the previous year's accounts.

NB: The statements in question are (in addition to the balance sheet and income statement): B1. Changes in equity and financing liabilities; D5a. Allocation of distributable amounts relating to net income; and D5b. Allocation of distributable amounts relating to net realised capital gains and losses.

Therefore, in accordance with Article 3, paragraph 2 of ANC Regulation 2020-07, the financial statements do not present data for the previous financial year; the N-1 financial statements are included in the notes to the financial statements.

These changes mainly relate to:

- the structure of the balance sheet, which is now presented by type of eligible asset and liability, including loans and borrowings;
- the structure of the income statement, which has been changed significantly; in particular, the income statement includes: exchange differences on financial accounts, unrealised capital gains or losses, realised capital gains and losses and transaction costs;
- the elimination of the off-balance sheet table (some of the information on the items in this table is now included in the notes to the financial statements);
- the elimination of the option to account for expenses included in the cost price (without retroactive effect for funds previously applying the inclusive of costs method);
- the distinction between convertible bonds and other bonds, and their respective accounting records;
- a new classification of target funds held in the portfolio according to the model: UCITS / FIAs / Other;
- accounting for forward foreign exchange commitments, which is no longer done at balance sheet level but at off-balance sheet level, with information on forward foreign exchange covering a specific portion;
- the addition of information on direct and indirect exposure to different markets;
- the presentation of the inventory, which now distinguishes between eligible assets and liabilities and forward financial instruments;
- the adoption of a single presentation model for all types of UCI;
- the elimination of the aggregation of accounts for umbrella funds.

### 2 Accounting rules and methods applied during the year

General accounting principles apply (subject to the changes described above):

- 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.

## VALUATION METHODS FOR CERTAIN FINANCIAL INSTRUMENTS

Following the suspension of the KYG6485S1021 NEW HORIZON HEALTH LIMITED share from 28 March 2024 due to delays in the publication of annual results linked to investigations into its accounting practices, the share was valued at the last price available of HKD 14.14. In the absence of an available price published since this date, and in accordance with the provisions of the accounting guidelines applicable to UCIs for determining the current value of eligible assets and liabilities in an illiquid market, the management company carried out special monitoring and implemented a special valuation policy for this instrument in order to take account of the absence of a liquid market and the increasing uncertainty and delays in the publication of results.

The management company's Valuation Committee therefore applied a series of 50% discounts. The first discount brought the valuation to HKD 7.07 on 3 July 2024. A second discount of 50% was approved on 20 September 2024, reducing the share price to HKD 3.535. Finally, a further discount applied on 14 November 2024 brought the price to HKD 1.7675.

It should be noted that in the absence of a quotation the prices determined remain stable as long as there is no new information from the company; in addition, they are reviewed at the time of each quarterly report.

A further review of the price was carried out by the management company at the beginning of January 2025 following recent announcements by the company concerning the absence of results for 2024; this

led to the application of an additional discount of 50% and brought the price to HKD 0.88 with effect from 8 January 2025.

Valuations ascertained in this way are subject to uncertainty and cannot be as accurate as those derived from quotations on regulated markets. As a result, there could be a significant difference between the values recorded, ascertained as indicated above, and the prices that would actually be obtained if a portion of these portfolio assets were to be disposed of in the near future. The value of these securities may also depend on possible future recoveries.

These assets represented 0.97% of the fund's net assets at 31 December 2024, taking into account the successive discounts applied.

#### **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 reflect issuer 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.

#### **Management fees**

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

These fees are recorded in the fund'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 fund.

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

#### **Financial management fees:**

FR0013467024 – I EUR Acc: 0.85% TTC.

FR0014002E46 – F EUR Acc: 1.15% TTC.

#### **Administration fees external to the management company:**

FR0013467024 – I EUR Acc and FR0014002E46 – F EUR Acc: 0.15% inclusive of tax.

#### **Performance fee:**

The performance fees are based on a comparison between the performance over the financial year of each fund unit and the fund's reference indicator (the MSCI China Index (USD) net dividends reinvested, calculated in dollars by MSCI and converted into euro. If the fund's performance since the start of the financial year is positive for the I EUR Acc unit class, it exceeds the performance of the Reference Indicator for the F EUR Acc and I EUR Acc unit classes and if there is no past underperformance still to be offset, a daily provision is established of up to 20% of this outperformance for the F EUR Acc unit class and up to 10% for the I EUR Acc unit class. In the event of underperformance in relation to the reference

indicator, a daily amount corresponding to 20% for F EUR Acc units and 10% for I EUR Acc units of this underperformance is deducted from the provision made since the beginning of the year. The applicable rate for the performance fee is 10% for the I units and 20% for the F units. 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 F EUR Acc unit class has outperformed the Reference Indicator but posted a negative performance.

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

- o 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;
- o 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.

## **Allocation of distributable income**

### **Definition of distributable income:**

Distributable income is made up of:

#### **Income:**

Net income 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.

The amounts referred to as "income" and "capital gains and losses" may be distributed, in full or in part, independently of each other.

Payment of distributable income is made within five months of the financial year-end.

Where the fund is authorised under Regulation (EU) No 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, by way of derogation from the provisions of I, the distributable amounts may also include unrealised capital gains.

**Allocation of distributable income:**

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

## B. CHANGES IN EQUITY AND FINANCING LIABILITIES

### B1. CHANGES IN EQUITY AND FINANCING LIABILITIES

Changes in equity during the year in EUR	31/12/2024
<b>Equity at beginning of year</b>	<b>56,242,929.28</b>
<b>Flows for the year:</b>	
Subscriptions called (including subscription fee paid to the fund)	10,280,515.30
Redemptions (after deduction of the redemption fee payable to the fund)	-41,989,216.57
Net income for the year prior to income equalisation account	133,644.71
Net realised gains or losses prior to income equalisation account	-7,605,943.62
Change in unrealised gains or losses prior to income equalisation account	6,232,512.11
Dividends paid in the previous financial year on net income	0.00
Dividends paid in the previous financial year on net realised capital gains or losses	0.00
Dividends paid in the previous financial year on unrealised capital gains	0.00
Interim dividends paid during the year on net income	0.00
Interim dividends paid during the year on net realised capital gains or losses	0.00
Interim dividends paid during the year on unrealised capital gains	0.00
Other items	0.00
<b>Equity at the end of the financial year (= Net assets)</b>	<b>23,294,441.21</b>

## **B2. RECONSTITUTION OF THE “EQUITY” LINE OF PRIVATE EQUITY FUNDS AND OTHER VEHICLES**

Presentation of this item is not required by accounting regulations for the fund under review.

### B3. CHANGES IN THE NUMBER OF SHARES/UNITS DURING THE FINANCIAL YEAR

#### B3a. NUMBER OF SHARES/UNITS SUBSCRIBED AND REDEEMED DURING THE YEAR

	In units	In euro
<b>F EUR Acc unit class</b>		
Units subscribed during the financial year	172,931.000	7,955,801.47
Units redeemed during the financial year	-298,982.000	-14,048,495.98
Net balance of subscriptions/redemptions	-126,051.000	-6,092,694.51
Number of units outstanding at the end of the financial year	32,437.315	
<b>I EUR Acc units</b>		
Units subscribed during the financial year	20,159.140	2,324,713.83
Units redeemed during the financial year	-285,125.573	-27,940,720.59
Net balance of subscriptions/redemptions	-264,966.433	-25,616,006.76
Number of units outstanding at the end of the financial year	208,207.029	

**B3b. SUBSCRIPTION AND/OR REDEMPTION FEES PAID TO THE FUND**

	In euro
<b>F EUR Acc unit class</b>	
Total subscription and/or redemption fees paid to the fund	0.00
Subscription fees paid to the fund	0.00
Redemption fees paid to the fund	0.00
<b>I EUR Acc units</b>	
Total subscription and/or redemption fees paid to the fund	0.00
Subscription fees paid to the fund	0.00
Redemption fees paid to the fund	0.00

#### **B4. FLOWS RELATING TO THE NOMINAL AMOUNT CALLED AND REDEEMED DURING THE YEAR**

Presentation of this item is not required by accounting regulations for the fund under review.



## **B5. FLOWS ON FINANCING LIABILITIES**

Presentation of this item is not required by accounting regulations for the fund under review.

## B6. BREAKDOWN OF NET ASSETS BY TYPE OF SHARE/UNIT

Unit name ISIN	Distribution of net income	Allocation of net realised capital gains or losses	Unit curren cy	Net assets per unit	Number of units	Net asset value
F EUR Acc FR0014002E46	Accumulation	Accumulation	EUR	1,560,281.13	32,437.315	48.10
I EUR ACC FR0013467024	Accumulation	Accumulation	EUR	21,734,160.08	208,207.029	104.38

## C. INFORMATION ON DIRECT AND INDIRECT EXPOSURE TO DIFFERENT MARKETS

### C1. PRESENTATION OF DIRECT EXPOSURE BY TYPE OF MARKET AND EXPOSURE

#### C1a. DIRECT EXPOSURE TO THE EQUITY MARKET (EXCLUDING CONVERTIBLE BONDS)

Amounts expressed in thousands of EUR	Exposure	Breakdown of significant exposures by country				
		Country 1	Country 2	Country 3	Country 4	Country 5
		CHINA	TAIWAN	CAYMAN ISLANDS	NETHERLANDS	HONG KONG
	+/-	+/-	+/-	+/-	+/-	+/-
<b>Assets</b>						
Equities and similar securities	23,616.58	9,888.00	7,161.93	4,239.03	1,088.95	764.65
Temporary transactions on securities	0.00	0.00	0.00	0.00	0.00	0.00
<b>Liabilities</b>						
Sales of financial instruments	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
<b>Off-balance sheet</b>						
Futures	0.00	N/A	N/A	N/A	N/A	N/A
Options	0.00	N/A	N/A	N/A	N/A	N/A
Swaps	0.00	N/A	N/A	N/A	N/A	N/A
Other financial instruments	0.00	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>23,616.58</b>					

## C1b. EXPOSURE TO THE CONVERTIBLE BOND MARKET - BREAKDOWN OF EXPOSURE BY COUNTRY AND MATURITY

Amounts expressed in thousands of EUR	Exposure +/-	Breakdown of exposure by maturity			Breakdown by delta level	
		<= 1 year	1<X<=5 years	>5 years	<= 0.6	0.6<X<=1
Total	0.00	0.00	0.00	0.00	0.00	0.00

## C1c. DIRECT EXPOSURE TO THE FIXED-INCOME MARKET (EXCLUDING CONVERTIBLE BONDS) - BREAKDOWN BY TYPE OF RATE

Amounts expressed in thousands of EUR	Exposure	Breakdown of exposure by type of rate			
		Fixed rate	Variable or adjustable rate	Indexed rate	Other or no rate consideration
	+/-	+/-	+/-	+/-	+/-
<b>Assets</b>					
Deposits	0.00	0.00	0.00	0.00	0.00
Bonds	0.00	0.00	0.00	0.00	0.00
Debt securities	0.00	0.00	0.00	0.00	0.00
Temporary transactions on securities	0.00	0.00	0.00	0.00	0.00
Financial accounts	722.93	0.00	0.00	0.00	722.93
<b>Liabilities</b>					
Sales of financial instruments	0.00	0.00	0.00	0.00	0.00
Temporary transactions on securities	0.00	0.00	0.00	0.00	0.00
Borrowings	0.00	0.00	0.00	0.00	0.00
Financial accounts	0.00	0.00	0.00	0.00	0.00
<b>Off-balance sheet</b>					
Futures	N/A	0.00	0.00	0.00	0.00
Options	N/A	0.00	0.00	0.00	0.00
Swaps	N/A	0.00	0.00	0.00	0.00
Other financial instruments	N/A	0.00	0.00	0.00	0.00
<b>Total</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>722.93</b>

## C1d. DIRECT EXPOSURE TO THE FIXED-INCOME MARKET (EXCLUDING CONVERTIBLE BONDS) - BREAKDOWN BY RESIDUAL MATURITY

Amounts expressed in thousands of EUR	[0-3 months] (*)	[3-6 months] (*)	[6-12 months] (*)	[1-3 years] (*)	[3-5 years] (*)	[5-10 years] (*)	>10 years (*)
	+/-	+/-	+/-	+/-	+/-	+/-	+/-
<b>Assets</b>							
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bonds	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
Temporary transactions on securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts	722.93	0.00	0.00	0.00	0.00	0.00	0.00
<b>Liabilities</b>							
Sales of financial instruments	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
Borrowings	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	0.00
<b>Off-balance sheet</b>							
Futures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Options	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Swaps	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>722.93</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

(\*) The fund may group or complete the residual maturity intervals depending on the relevance of the investment and borrowing strategies.

## C1e. DIRECT EXPOSURE TO THE CURRENCY MARKET

Amounts expressed in thousands of EUR	Currency 1	Currency 2	Currency 3	Currency 4	Currency N
	USD	TWD	HKD	CNY	
	+/-	+/-	+/-	+/-	+/-
<b>Assets</b>					
Deposits	0.00	0.00	0.00	0.00	0.00
Equities and similar securities	9,417.80	7,161.93	5,947.89	0.00	0.00
Bonds and similar securities	0.00	0.00	0.00	0.00	0.00
Debt securities	0.00	0.00	0.00	0.00	0.00
Temporary transactions on securities	0.00	0.00	0.00	0.00	0.00
Receivables	0.00	8.67	0.00	0.00	0.00
Financial accounts	9.08	0.00	2.58	17.50	0.00
<b>Liabilities</b>					
Sales of financial instruments	0.00	0.00	0.00	0.00	0.00
Temporary transactions on securities	0.00	0.00	0.00	0.00	0.00
Borrowings	0.00	0.00	0.00	0.00	0.00
Payables	0.00	0.00	0.00	0.00	0.00
Financial accounts	0.00	0.00	0.00	0.00	0.00
<b>Off-balance sheet</b>					
Currency receivable	0.00	0.00	0.00	0.00	0.00
Currency deliverable	0.00	0.00	0.00	0.00	0.00
Futures options swaps	0.00	0.00	0.00	0.00	0.00
Other transactions	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>9,426.88</b>	<b>7,170.60</b>	<b>5,950.47</b>	<b>17.50</b>	<b>0.00</b>

## C1f. DIRECT EXPOSURE TO CREDIT MARKETS

Amounts expressed in thousands of EUR	Invest. Grade	Non-Invest. Grade	Unrated
	+/-	+/-	+/-
<b>Assets</b>			
Bonds convertible into equities	0.00	0.00	0.00
Bonds and similar securities	0.00	0.00	0.00
Debt securities	0.00	0.00	0.00
Temporary transactions on securities	0.00	0.00	0.00
<b>Liabilities</b>			
Sales of financial instruments	0.00	0.00	0.00
Temporary transactions on securities	0.00	0.00	0.00
<b>Off-balance sheet</b>			
Credit derivatives	0.00	0.00	0.00
<b>Net balance</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



## C1g. EXPOSURE IN TRANSACTIONS INVOLVING A COUNTERPARTY

Counterparties (amounts expressed in thousands of EUR)	Present value - receivable	Present value - payable
<b>Transactions shown on the assets side of the balance sheet</b> Deposits Non-cleared forward financial instruments Receivables on financial securities received under a repurchase agreement ( <i>pension</i> ) Receivables on securities pledged as collateral Receivables on financial securities lent Financial securities borrowed Securities received as collateral Financial securities transferred under repurchase agreements ( <i>pension</i> ) Receivables Cash collateral Cash guarantee deposit paid <b>Transactions shown on the liabilities side of the balance sheet</b> Payables on securities transferred under a repurchase agreement ( <i>pension</i> ) Non-cleared forward financial instruments Payables Cash collateral		

## **C2. INDIRECT EXPOSURES FOR MULTI-MANAGER FUNDS**

This section does not apply to the UCI under review.

### **C3. EXPOSURE TO PRIVATE EQUITY PORTFOLIOS**

Presentation of this item is not required by accounting regulations for the fund under review.

#### **C4. EXPOSURE ON LOANS FOR *ORGANISMES DE FONCIER SOLIDAIRE* (OFS)**

Presentation of this item is not required by accounting regulations for the fund under review.

## D. OTHER BALANCE SHEET AND INCOME STATEMENT INFORMATION

### D1. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Nature of the debit/credit	31/12/2024
<b>Receivables</b>		
	Cash dividends and coupons	8,673.91
<b>Total receivables</b>		<b>8,673.91</b>
<b>Payables</b>		
	Redemption price payable	1,048,732.20
	Fixed management fee	5,003.36
<b>Total payables</b>		<b>1,053,735.56</b>
<b>Total receivables and payables</b>		<b>-1,045,061.65</b>

## D2. MANAGEMENT FEES, OTHER FEES AND CHARGES

	31/12/2024
<b>F EUR Acc unit class</b>	
Guarantee fees	0.00
Fixed management fees	66,639.41
Percentage of fixed management fees	1.29
Variable management fee provisions	0.00
Percentage of variable management fees provisions	0.00
Variable management fees paid to the fund	0.00
Percentage of variable management fees paid to the fund	0.00
Trailer fees	0.00
<b>I EUR Acc units</b>	
Guarantee fees	0.00
Fixed management fees	254,418.96
Percentage of fixed management fees	0.99
Variable management fee provisions	0.00
Percentage of variable management fees provisions	0.00
Variable management fees paid to the fund	0.01
Percentage of variable management fees paid to the fund	0.00
Trailer fees	0.00

“The amount of variable management fees shown above is the sum of provisions and reversals of provisions that impacted net assets during the period under review.”

### D3. COMMITMENTS RECEIVED OR GIVEN

Other commitments (by type of product)	31/12/2024
Collateral received	0.00
- of which financial instruments received as a guarantee and not entered on the balance sheet	0.00
Guarantees given	0.00
- of which financial instruments given as a guarantee and kept as their original entry	0.00
Financing commitments received but not yet drawn down	0.00
Financing commitments given but not yet drawn down	0.00
Other off-balance sheet commitments	0.00
<b>Total</b>	<b>0.00</b>

#### D4. OTHER INFORMATION

##### D4a. CURRENT VALUE OF TEMPORARILY ACQUIRED FINANCIAL INSTRUMENTS

	31/12/2024
Securities held under repurchase agreements ( <i>pension</i> )	0.00
Securities borrowed	0.00



#### D4b. FINANCIAL INSTRUMENTS HELD, ISSUED AND/OR MANAGED BY THE GROUP

	ISIN	Name	31/12/2024
Equities			0.00
Bonds			0.00
Transferable debt securities			0.00
UCI			0.00
Forward financial instruments			0.00
<b>Total group securities</b>			<b>0.00</b>

## D5. DETERMINATION AND BREAKDOWN OF DISTRIBUTABLE INCOME

### D5a. ALLOCATION OF DISTRIBUTABLE AMOUNTS RELATING TO NET INCOME

Allocation of distributable amounts relating to net income	31/12/2024
<b>Net income</b>	<b>124,461.77</b>
Interim dividends paid on net income for the year	0.00
<b>Income for the year available for allocation</b>	<b>124,461.77</b>
Retained earnings	0.00
<b>Distributable net income</b>	<b>124,461.77</b>

#### F EUR Acc unit class

Allocation of distributable amounts relating to net income	31/12/2024
<b>Net income</b>	<b>4,122.48</b>
Interim dividends paid on net income for the year (*)	0.00
<b>Income for the year available for allocation (**)</b>	<b>4,122.48</b>
Retained earnings	0.00
<b>Distributable net income</b>	<b>4,122.48</b>
<b>Allocation:</b>	
Distribution	0.00
Retained earnings for the financial year	0.00
Accumulation	4,122.48
<b>Total</b>	<b>4,122.48</b>
<b>* Information on interim dividends paid</b>	
Amount per unit	0.00
Total tax credits	0.00
Tax credits per unit	0.00
<b>** Information concerning units eligible to receive dividends</b>	
Number of units	0.00
Dividend per unit remaining to be paid after payment of interim dividends	0.00
Tax credit related to income distribution	0.00

## I EUR Acc units

Allocation of distributable amounts relating to net income	31/12/2024
<b>Net income</b>	<b>120,339.29</b>
Interim dividends paid on net income for the year (*)	0.00
<b>Income for the year available for allocation (**)</b>	<b>120,339.29</b>
Retained earnings	0.00
<b>Distributable net income</b>	<b>120,339.29</b>
<b>Allocation:</b>	
Distribution	0.00
Retained earnings for the financial year	0.00
Accumulation	120,339.29
<b>Total</b>	<b>120,339.29</b>
<b>* Information on interim dividends paid</b>	
Amount per unit	0.00
Total tax credits	0.00
Tax credits per unit	0.00
<b>** Information concerning units eligible to receive dividends</b>	
Number of units	0.00
Dividend per unit remaining to be paid after payment of interim dividends	0.00
Tax credit related to income distribution	0.00

## D5b. ALLOCATION OF DISTRIBUTABLE AMOUNTS RELATING TO NET REALISED AND UNREALISED CAPITAL GAINS AND LOSSES

Allocation of distributable amounts relating to net realised capital gains and losses	31/12/2024
<b>Net realised gains or losses for the year</b>	<b>-4,780,605.02</b>
Interim dividends paid on net realised gains and losses for the year	0.00
<b>Net realised capital gains or losses available for allocation</b>	<b>-4,780,605.02</b>
Non-distributed prior net realised capital gains and losses	0.00
<b>Amounts available for distribution in respect of realised capital gains or losses</b>	<b>-4,780,605.02</b>

### F EUR Acc unit class

Allocation of distributable amounts relating to net realised capital gains and losses	31/12/2024
<b>Net realised gains or losses for the year</b>	<b>-320,860.98</b>
Interim dividends paid on net realised gains and losses for the year (*)	0.00
<b>Net realised gains or losses available for allocation (**)</b>	<b>-320,860.98</b>
Non-distributed prior net realised capital gains and losses	0.00
<b>Amounts available for distribution in respect of realised capital gains or losses</b>	<b>-320,860.98</b>
<b>Allocation:</b>	
Distribution	0.00
Retained net realised capital gains or losses	0.00
Accumulation	-320,860.98
<b>Total</b>	<b>-320,860.98</b>
<b>* Information on interim dividends paid</b>	
Interim dividends per unit paid	0.00
<b>** Information concerning units eligible to receive dividends</b>	
Number of units	0.00
Dividend per unit remaining to be paid after payment of interim dividends	0.00

## I EUR Acc units

Allocation of distributable amounts relating to net realised capital gains and losses	31/12/2024
<b>Net realised gains or losses for the year</b>	<b>-4,459,744.04</b>
Interim dividends paid on net realised gains and losses for the year (*)	0.00
<b>Net realised gains or losses available for allocation (**)</b>	<b>-4,459,744.04</b>
Non-distributed prior net realised capital gains and losses	0.00
<b>Amounts available for distribution in respect of realised capital gains or losses</b>	<b>-4,459,744.04</b>
<b>Allocation:</b>	
Distribution	0.00
Retained net realised capital gains or losses	0.00
Accumulation	-4,459,744.04
<b>Total</b>	<b>-4,459,744.04</b>
<b>* Information on interim dividends paid</b>	
Interim dividends per unit paid	0.00
<b>** Information concerning units eligible to receive dividends</b>	
Number of units	0.00
Dividend per unit remaining to be paid after payment of interim dividends	0.00

## E. ASSETS AND LIABILITIES IN EUR

### E1. BALANCE SHEET ITEMS

Name of securities by industry sector (*)	Currency	Quantity or Nominal	Current value	% Assets net assets
<b>EQUITIES AND SIMILAR SECURITIES</b>			<b>23,616,577.63</b>	<b>101.38</b>
<b>Equities and similar securities traded on a regulated or similar market</b>			<b>23,616,577.63</b>	<b>101.38</b>
<b>Automobiles</b>			<b>914,126.70</b>	<b>3.92</b>
YADEA GROUP HOLDINGS LTD	HKD	568,235	914,126.70	3.92
<b>Household durables</b>			<b>708,947.15</b>	<b>3.04</b>
KE HOLDINGS INC-ADR	USD	9,108	162,017.73	0.70
KE HOLDINGS INC-CL A	HKD	92,813	546,929.42	2.34
<b>Biotechnology</b>			<b>730,889.13</b>	<b>3.14</b>
WUXI BIOLOGICS CAYMAN INC	HKD	334,798	730,889.13	3.14
<b>Specialty retail</b>			<b>167,102.75</b>	<b>0.72</b>
MINISO GROUP HOLDING LTD	HKD	28,568	167,102.75	0.72
<b>Electrical equipment</b>			<b>858,021.30</b>	<b>3.68</b>
GOLD CIRCUIT ELECTRONICS LTD	TWD	47,215	335,875.60	1.44
LOTES CO LTD	TWD	9,067	522,145.70	2.24
<b>Leisure products</b>			<b>619,684.79</b>	<b>2.66</b>
TENCENT MUSIC ENTERTAINM-ADR	USD	56,536	619,684.79	2.66
<b>Broadline retail</b>			<b>2,692,460.66</b>	<b>11.56</b>
ALIBABA GROUP HOLDING-SP ADR	USD	157	12,855.65	0.06
PROSUS NV	EUR	28,395	1,088,948.25	4.67
VIPSHOP HOLDINGS LTD - ADR	USD	122,281	1,590,656.76	6.83
<b>Hotels, restaurants &amp; leisure</b>			<b>1,624,774.50</b>	<b>6.97</b>
ELITE MATERIAL CO LTD	TWD	38,830	706,866.17	3.03
H WORLD GROUP LTD	HKD	103,821	335,585.12	1.44
H WORLD GROUP LTD-ADR	USD	18,256	582,323.21	2.50
<b>Transportation infrastructure</b>			<b>1,558,488.91</b>	<b>6.69</b>
EHANG HOLDINGS LTD-SPS ADR	USD	102,497	1,558,488.91	6.69
<b>Software</b>			<b>390,325.72</b>	<b>1.68</b>
SINOTRANS LIMITED-H	HKD	855,494	390,325.72	1.68
<b>Capital markets</b>			<b>249,632.75</b>	<b>1.07</b>
CHINA INTERNATIONAL CAPITA-H	HKD	156,628	249,632.75	1.07
<b>Interactive media &amp; services</b>			<b>653,103.17</b>	<b>2.80</b>
TENCENT HOLDINGS LTD	HKD	12,598	653,103.17	2.80
<b>Technology hardware, storage &amp; peripherals</b>			<b>1,906,216.16</b>	<b>8.18</b>
LITE-ON TECHNOLOGY CORP	TWD	160,479	470,351.59	2.02

## E1. BALANCE SHEET ITEMS

Name of securities by industry sector (*)	Currency	Quantity or Nominal	Current value	% Assets net assets
QUANTA COMPUTER INC	TWD	29,611	250,331.96	1.07
WISTRON CORP	TWD	143,959	441,015.13	1.89
WIWYNN CORP	TWD	9,647	744,517.48	3.20
<b>Oil, gas &amp; consumable fuels</b>			<b>373,226.12</b>	<b>1.60</b>
CHROMA ATE INC	TWD	30,979	373,226.12	1.60
<b>Independent power producers &amp; energy traders</b>			<b>577,222.84</b>	<b>2.48</b>
CHINA RESOURCES POWER HOLDIN	HKD	245,922	577,222.84	2.48
<b>Domestic goods</b>			<b>86,588.91</b>	<b>0.37</b>
MAO GEPING COSMETICS CO LTD	HKD	11,957	86,588.91	0.37
<b>Semiconductors &amp; semiconductor equipment</b>			<b>4,462,412.16</b>	<b>19.17</b>
ACM RESEARCH INC-CLASS A	USD	32,507	474,027.72	2.03
ASMPT LTD	HKD	20,128	187,424.59	0.80
DAQO NEW ENERGY CORP-ADR	USD	38,699	726,517.20	3.12
MEDIATEK INC	TWD	20,417	851,000.27	3.65
TAIWAN SEMICONDUCTOR MANUFAC	TWD	70,216	2,223,442.38	9.57
<b>Utilities</b>			<b>578,949.68</b>	<b>2.49</b>
GAOTU TECHEDU INC	USD	158,775	335,796.48	1.45
GUDENG PRECISION INDUSTRIAL	TWD	16,950	243,153.20	1.04
<b>Diversified consumer services</b>			<b>1,316,966.81</b>	<b>5.65</b>
NEW ORIENTAL EDUCATION & TEC	HKD	78,599	478,314.84	2.05
NEW ORIENTAL EDUCATIO-SP ADR	USD	9,302	576,535.35	2.47
TAL EDUCATION ADR	USD	27,088	262,116.62	1.13
<b>Diversified financial services</b>			<b>1,079,260.23</b>	<b>4.63</b>
TUYA INC	USD	624,343	1,079,260.23	4.63
<b>IT services</b>			<b>334,945.67</b>	<b>1.44</b>
PDD HOLDINGS INC	USD	3,576	334,945.67	1.44
<b>Health care providers &amp; services</b>			<b>225,556.27</b>	<b>0.97</b>
NEW HORIZON HEALTH LTD	HKD	1,026,482	225,556.27	0.97
<b>Textiles, apparel &amp; luxury goods</b>			<b>350,841.34</b>	<b>1.51</b>
ANTA SPORTS PRODUCTS LTD	HKD	36,250	350,841.34	1.51
<b>Ground transportation &amp; rail transportation</b>			<b>1,102,581.46</b>	<b>4.73</b>
DIDI GLOBAL INC	USD	249,830	1,102,581.46	4.73
<b>Internet and direct marketing retail</b>			<b>54,252.45</b>	<b>0.23</b>
ALIBABA GROUP HOLDING LTD	HKD	5,296	54,252.45	0.23
<b>Total</b>			<b>23,616,577.63</b>	<b>101.38</b>

(\*) The industry sector represents the main activity of the issuer of the financial instrument; it is derived from reliable sources recognised at international level (mainly GICS and NACE).

## E2. FORWARD CURRENCY TRANSACTIONS

Type of transaction	Current value shown in balance sheet		Amount of exposure (*)			
	Assets	Liabilities	Currency receivable (+)		Currency deliverable (-)	
			Currency	Amount (*)	Currency	Amount (*)
Total	0.00	0.00		0.00		0.00

(\*) Amount determined in accordance with the provisions of the regulation relating to the presentation of exposures expressed in the accounting currency.



## E3. FORWARD FINANCIAL INSTRUMENTS

### E3a. FORWARD FINANCIAL INSTRUMENTS – EQUITIES

Type of commitment	Quantity or Nominal	Current value shown in balance sheet		Amount of exposure (*)
		Assets	Liabilities	+/-
1. Futures				
Subtotal 1.		0.00	0.00	0.00
2. Options				
Subtotal 2.		0.00	0.00	0.00
3. Swaps				
Subtotal 3.		0.00	0.00	0.00
4. Other instruments				
Subtotal 4.		0.00	0.00	0.00
Total		0.00	0.00	0.00

(\*) Amount determined in accordance with the provisions of the regulation relating to the presentation of exposures.

## E3b. FORWARD FINANCIAL INSTRUMENTS - INTEREST RATES

Type of commitment	Quantity or Nominal	Current value shown in balance sheet		Amount of exposure (*)
		Assets	Liabilities	+/-
<b>1. Futures</b>				
Subtotal 1.		0.00	0.00	0.00
<b>2. Options</b>				
Subtotal 2.		0.00	0.00	0.00
<b>3. Swaps</b>				
Subtotal 3.		0.00	0.00	0.00
<b>4. Other instruments</b>				
Subtotal 4.		0.00	0.00	0.00
<b>Total</b>		0.00	0.00	0.00

(\*) Amount determined in accordance with the provisions of the regulation relating to the presentation of exposures.

### E3c. FORWARD FINANCIAL INSTRUMENTS – FOREX

Type of commitment	Quantity or Nominal	Current value shown in balance sheet		Amount of exposure (*)
		Assets	Liabilities	+/-
1. Futures				
Subtotal 1.		0.00	0.00	0.00
2. Options				
Subtotal 2.		0.00	0.00	0.00
3. Swaps				
Subtotal 3.		0.00	0.00	0.00
4. Other instruments				
Subtotal 4.		0.00	0.00	0.00
<b>Total</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

(\*) Amount determined in accordance with the provisions of the regulation relating to the presentation of exposures.

### E3d. FORWARD FINANCIAL INSTRUMENTS – CREDIT RISK

Type of commitment	Quantity or Nominal	Current value shown in balance sheet		Amount of exposure (*)
		Assets	Liabilities	+/-
1. Futures				
Subtotal 1.		0.00	0.00	0.00
2. Options				
Subtotal 2.		0.00	0.00	0.00
3. Swaps				
Subtotal 3.		0.00	0.00	0.00
4. Other instruments				
Subtotal 4.		0.00	0.00	0.00
<b>Total</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

(\*) Amount determined in accordance with the provisions of the regulation relating to the presentation of exposures.

### E3e. FORWARD FINANCIAL INSTRUMENTS – OTHER EXPOSURES

Type of commitment	Quantity or Nominal	Current value shown in balance sheet		Amount of exposure (*)
		Assets	Liabilities	+/-
1. Futures				
Subtotal 1.		0.00	0.00	0.00
2. Options				
Subtotal 2.		0.00	0.00	0.00
3. Swaps				
Subtotal 3.		0.00	0.00	0.00
4. Other instruments				
Subtotal 4.		0.00	0.00	0.00
<b>Total</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

(\*) Amount determined in accordance with the provisions of the regulation relating to the presentation of exposures.

#### **E4. FORWARD FINANCIAL INSTRUMENTS OR FORWARD CURRENCY TRANSACTIONS USED TO HEDGE A CLASS OF UNITS**

This section does not apply to the UCI under review.

## E5. SUMMARY

	Current value shown in balance sheet
Total eligible assets and liabilities (excluding FFIs)	23,616,577.63
FFIs (excluding FFIs used to hedge units issued):	
Total forward currency transactions	0.00
Total forward financial instruments – equities	0.00
Total forward financial instruments – interest rates	0.00
Total forward financial instruments – forex	0.00
Total forward financial instruments – credit	0.00
Total forward financial instruments – other exposures	0.00
Forward financial instruments used to hedge units issued	0.00
Other assets (+)	731,599.14
Other liabilities (-)	-1,053,735.56
Financing liabilities (-)	0.00
<b>Total = net assets</b>	<b>23,294,441.21</b>

Unit name	Unit currency	Number of units	Net asset value
F EUR Acc unit class	EUR	32,437.315	48.10
I EUR Acc units	EUR	208,207.029	104.38

# **CARMIGNAC CHINA NEW ECONOMY**

**ANNUAL FINANCIAL STATEMENTS**

**29/12/2023**



## BALANCE SHEET ASSETS AT 29/12/2023 IN EUR

	29/12/2023	30/12/2022
<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>56,776,438.06</b>	<b>88,663,950.08</b>
<b>Equities and similar securities</b>	<b>56,219,360.77</b>	<b>86,940,530.12</b>
Traded on a regulated or similar market	56,219,360.77	86,940,530.12
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>0.00</b>
Retail UCITS and AIFs aimed at non-professional investors and equivalent funds of other countries	0.00	0.00
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>557,077.29</b>	<b>1,723,419.96</b>
Transactions on a regulated or similar market	0.00	122,657.14
Other transactions	557,077.29	1,600,762.82
<b>Other financial instruments</b>	<b>0.00</b>	<b>0.00</b>
<b>RECEIVABLES</b>	<b>50,372,041.48</b>	<b>90,577,064.27</b>
Currency forward exchange contracts	49,968,569.30	89,046,920.10
Other	403,472.18	1,530,144.17
<b>FINANCIAL ACCOUNTS</b>	<b>969,496.97</b>	<b>7,829,124.60</b>
Cash	969,496.97	7,829,124.60
<b>TOTAL ASSETS</b>	<b>108,117,976.51</b>	<b>187,070,138.95</b>

## BALANCE SHEET LIABILITIES AT 29/12/2023 IN EUR

	29/12/2023	30/12/2022
<b>EQUITY</b>		
Share capital	70,283,420.53	135,362,927.29
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)	-13,982,759.67	-40,406,501.82
Profit/(loss) for the financial year (a,b)	-57,731.58	-410,760.00
<b>TOTAL EQUITY*</b>	<b>56,242,929.28</b>	<b>94,545,665.47</b>
<i>*Amount corresponding to the net assets</i>		
<b>FINANCIAL INSTRUMENTS</b>	<b>0.00</b>	<b>145,912.84</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	145,912.84
Transactions on a regulated or similar market	0.00	122,657.10
Other transactions	0.00	23,255.74
<b>PAYABLES</b>	<b>51,259,089.88</b>	<b>91,445,065.30</b>
Currency forward exchange contracts	49,529,191.64	89,167,609.22
Other	1,729,898.24	2,277,456.08
<b>FINANCIAL ACCOUNTS</b>	<b>615,957.35</b>	<b>933,495.34</b>
Short-term bank loans	615,957.35	933,495.34
Borrowings	0.00	0.00
<b>TOTAL LIABILITIES</b>	<b>108,117,976.51</b>	<b>187,070,138.95</b>

(a) Including accruals and deferrals

(b) Less interim dividends paid for the financial year

## OFF-BALANCE SHEET AT 29/12/2023 IN EUR

	29/12/2023	30/12/2022
<b>HEDGING TRANSACTIONS</b>		
Commitment on regulated or similar markets		
Futures contracts		
NQ USA NASDAQ 0323	0.00	10,534,265.64
Commitment on OTC markets		
Other commitments		
<b>OTHER TRANSACTIONS</b>		
Commitment on regulated or similar markets		
Futures contracts		
DAX 30 IND FU 0323	0.00	3,147,300.00
Commitment on OTC markets		
Contracts for difference		
JPX DAQO NEW ENERGY	2,670,282.17	0.00
JPX VIPSHOP HOLDINGS	2,305,865.86	0.00
JPX WENCAN GROUP 123	0.00	224,260.10
002271 JPM	0.00	1,674,735.41
TCOM JP MORGAN 1230	1,692,582.47	3,206,057.44
CFDIKJ	0.00	4,373,667.87
JP MORGAN AG	0.00	4,546,751.90
JP MORGAN AG	0.00	3,034,977.94
CFDJPD JPM PDD	2,439,581.67	0.00
Other commitments		

## INCOME STATEMENT AS AT 29/12/2023 (IN EUR)

	29/12/2023	30/12/2022
<b>Income from financial transactions</b>		
Income from deposits and financial accounts	142,969.39	12,780.39
Income from equities and similar securities	653,574.62	601,119.63
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	2,966.68	19.78
Income from financial futures	0.00	0.00
Other financial income	0.00	0.00
<b>TOTAL (1)</b>	<b>799,510.69</b>	<b>613,919.80</b>
<b>Payables on financial transactions</b>		
Payables on temporary purchases and sales of securities	4,656.73	191.71
Payables on financial futures	0.00	0.00
Payables on financial debts	41,915.92	53,799.15
Other payables	0.00	0.00
<b>TOTAL (2)</b>	<b>46,572.65</b>	<b>53,990.86</b>
<b>PROFIT/(LOSS) ON FINANCIAL TRANSACTIONS (1 - 2)</b>	<b>752,938.04</b>	<b>559,928.94</b>
Other income (3)	0.00	0.00
Management fee and depreciation allowance (4) (*)	839,359.23	1,065,331.09
<b>Net profit/(loss) for the financial year (L. 214-17-1) (1 - 2 + 3 - 4)</b>	<b>-86,421.19</b>	<b>-505,402.15</b>
Income equalisation for the financial year (5)	28,689.61	94,642.15
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>-57,731.58</b>	<b>-410,760.00</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

## 1. 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 reflect issuer 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
JPX DAQO NEW ENERGY	Contract for difference on shares
CFDJPD JPM PDD	Contract for difference on shares
TCOM JP MORGAN 1230	Contract for difference on shares
JPX VIPSHOP HOLDINGS	Contract for difference on shares

## **Management fees**

Management fees and operating costs cover all the charges relating to the fund: 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 fund.

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

## **Financial management fees:**

FR0013467024 – I EUR Acc: 0.85% inclusive of tax

FR0014002E46 – F EUR Acc: 1.15% inclusive of tax

## **Administration fees external to the management company:**

FR0013467024 – I EUR Acc and FR0014002E46 – F EUR Acc: 0.15% inclusive of tax.

## **Performance fees:**

The performance fees are based on a comparison between the performance over the financial year of each fund unit and the fund's reference indicator (the MSCI China Index (USD) net dividends reinvested, calculated in dollars by MSCI and converted into euro. If the fund's performance since the start of the financial year is positive for the I EUR Acc unit class, it exceeds the performance of the Reference Indicator for the F EUR Acc and I EUR Acc unit classes and if there is no past underperformance still to be offset, a daily provision is established of up to 20% of this outperformance for the F EUR Acc unit class and up to 10% for the I EUR Acc unit class. In the event of underperformance in relation to the reference indicator, a daily amount corresponding to 20% for F EUR Acc units and 10% for I EUR Acc units of this underperformance is deducted from the provision made since the beginning of the year. The applicable rate for the performance fee is 10% for the I units and 20% for the F units. 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 F EUR Acc unit class has outperformed the Reference Indicator but posted a negative performance.

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

- o 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;
- o 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.

## **Allocation of distributable income**

### **Definition of distributable income**

Distributable income is made up of:

#### **Income:**

The net income is increased by retained earnings, plus or minus the income equalisation balance.

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and prizes, remuneration as well as all proceeds generated by the securities held in the UCI's portfolio, plus income generated by temporary cash holdings, less management fees and borrowing costs.

#### **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:**

<b>Unit(s)</b>	<b>Allocation of net income</b>	<b>Allocation of net realised capital gains or losses</b>
F EUR Acc units	Accumulation	Accumulation
I EUR Acc units	Accumulation	Accumulation



## 2. CHANGE IN NET ASSETS AT 29/12/2023 IN EUR

	29/12/2023	30/12/2022
<b>NET ASSETS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<b>94,545,665.47</b>	<b>150,350,497.74</b>
Subscriptions (including subscription fees paid to the fund)	42,759,731.13	40,064,275.73
Redemptions (after deduction of redemption fees paid to the UCI)	-60,718,077.61	-84,971,496.69
Realised gains on deposits and financial instruments	20,055,732.92	21,241,667.25
Realised losses on deposits and financial instruments	-28,465,322.35	-80,775,555.52
Realised gains on forward financial instruments	18,821,722.59	41,385,680.35
Realised losses on forward financial instruments	-22,053,592.72	-41,950,044.73
Transaction fees	-1,164,246.67	-870,727.14
Foreign exchange differences	-3,131,382.38	6,913,389.84
Changes in the valuation differential of deposits and financial instruments	-3,383,507.21	42,187,708.46
<i>Valuation differential for the financial year N</i>	<i>-7,547,339.38</i>	<i>-4,163,832.17</i>
<i>Valuation differential for the financial year N-1</i>	<i>4 163 832.17</i>	<i>46,351,540.63</i>
Changes in the valuation differential of forward financial instruments	-937,372.70	1,475,672.33
<i>Valuation differential for the financial year N</i>	<i>557,077.29</i>	<i>1,494,449.99</i>
<i>Valuation differential for the financial year N-1</i>	<i>-1,494,449.99</i>	<i>-18,777.66</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	-86,421.19	-505,402.15
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>56,242,929.28</b>	<b>94,545,665.47</b>

### 3. ADDITIONAL INFORMATION

#### 3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC STRUCTURE

	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>		
Equities	9,108,312.17	16.19
TOTAL OTHER TRANSACTIONS	9,108,312.17	16.19

### 3.2. BREAKDOWN BY INTEREST RATES OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS

	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	969,496.97	1.72
<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	615,957.35	1.10
<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

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

	< 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	969,496.97	1.72	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	615,957.35	1.10	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.

### 3.4. BREAKDOWN BY LISTING CURRENCY OR VALUATION CURRENCY OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS (EXCLUDING EUR)

	Currency 1 CNH		Currency 2 USD		Currency 3 HKD		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	0.00	0.00	25,677,799.70	45.66	22,544,625.34	40.08	5,391,803.83	9.59
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
UCI	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	0.00	0.00	8,912,810.48	15.85	68.86	0.00	0.00	0.00
Financial accounts	0.00	0.00	509,879.84	0.91	87,254.10	0.16	37,436.83	0.07
<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	49,529,191.64	88.06	1,303,642.61	2.32	119,155.38	0.21	0.00	0.00
Financial accounts	0.00	0.00	615,957.35	1.10	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
Other transactions	0.00	0.00	9,108,312.17	16.19	0.00	0.00	0.00	0.00

### 3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Nature of the debit/credit	29/12/2023
<b>RECEIVABLES</b>		
	Forward currency purchases	8,836,085.69
	Funds receivable on forward currency sales	41,132,483.61
	Sales with deferred settlement	86,678.53
	Guarantee deposits in cash	240,000.00
	Cash dividends and coupons	76,793.65
<b>TOTAL RECEIVABLES</b>		<b>50,372,041.48</b>
<b>PAYABLES</b>		
	Forward currency sales	40,610,733.50
	Funds payable on forward currency purchases	8,918,458.14
	Purchases with deferred settlement	1,663,367.09
	Fixed management fee	44,626.97
	Variable management fee	9,452.33
	Other payables	12,451.85
<b>TOTAL PAYABLES</b>		<b>51,259,089.88</b>
<b>TOTAL RECEIVABLES AND PAYABLES</b>		<b>-887,048.40</b>

### 3.6. EQUITY

#### 3.6.1. Number of units issued or redeemed

	In units	In euro
<b>F EUR Acc unit class</b>		
Units subscribed during the financial year	616,405.716	34,892,584.26
Units redeemed during the financial year	-602,180.432	-31,662,839.80
Net balance of subscriptions/redemptions	14,225.284	3,229,744.46
Number of units outstanding at the end of the financial year	158,488.315	
<b>I EUR Acc units</b>		
Units subscribed during the financial year	71,527.578	7,867,146.87
Units redeemed during the financial year	-248,307.477	-29,055,237.81
Net balance of subscriptions/redemptions	-176,779.899	-21,188,090.94
Number of units outstanding at the end of the financial year	473,173.462	

#### 3.6.2. Subscription and/or redemption fees

	In euro
<b>F EUR Acc unit class</b>	
Total subscription and/or redemption fees paid to the fund	0.00
Subscription fees paid to the fund	0.00
Redemption fees paid to the fund	0.00
<b>I EUR Acc units</b>	
Total subscription and/or redemption fees paid to the fund	0.00
Subscription fees paid to the fund	0.00
Redemption fees paid to the fund	0.00

### 3.7. MANAGEMENT FEES

	29/12/2023
<b>F EUR Acc units</b>	
Guarantee fees	0.00
Fixed management fees	157,497.06
Percentage of fixed management fees	1.25
Variable management fee provisions	0.00
Percentage of variable management fees provisions	0.00
Variable management fees paid to the fund	0.00
Percentage of variable management fees paid to the fund	0.00
Trailer fees	0.00
<b>I EUR Acc units</b>	
Guarantee fees	0.00
Fixed management fees	596,777.62
Percentage of fixed management fees	0.95
Variable management fee provisions	0.00
Percentage of variable management fees provisions	0.00
Variable management fees paid to the fund	8,184.55
Percentage of variable management fees paid to the fund	0.01
Trailer fees	0.00

"The amount of variable management fees shown above is the sum of provisions and reversals of provisions that impacted net assets during the period under review."

### 3.8. COMMITMENTS RECEIVED OR GIVEN

#### 3.8.1. Guarantees received by the fund:

None

#### 3.8.2. Other commitments received and/or given:

None

### 3.9. OTHER INFORMATION

#### 3.9.1. Current value of temporarily acquired financial instruments

	29/12/2023
Securities held under repurchase agreements ( <i>pension</i> )	0.00
Securities borrowed	0.00

#### 3.9.2. Current value of financial instruments furnishing guarantee deposits

	29/12/2023
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

#### 3.9.3. Financial instruments held, issued and/or managed by the Group

	ISIN	Name	29/12/2023
Equities			0.00
Bonds			0.00
Transferable debt securities			0.00
UCI			0.00
Forward financial instruments			0.00
<b>Total group securities</b>			<b>0.00</b>

### 3.10. ALLOCATION OF DISTRIBUTABLE INCOME

Allocation table showing the portion of distributable income relating to the fund's income

	29/12/2023	30/12/2022
<b>Amounts to be allocated</b>		
Retained earnings	0.00	0.00
Income	-57,731.58	-410,760.00
Interim dividends paid from income for the financial year	0.00	0.00
<b>Total</b>	<b>-57,731.58</b>	<b>-410,760.00</b>

	29/12/2023	30/12/2022
<b>F EUR Acc units</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	-29,692.47	-59,777.77
<b>Total</b>	<b>-29,692.47</b>	<b>-59,777.77</b>

	29/12/2023	30/12/2022
<b>I EUR Acc units</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	-28,039.11	-350,982.23
<b>Total</b>	<b>-28,039.11</b>	<b>-350,982.23</b>



**Allocation table showing the portion of distributable income relating to net capital gains and losses**

	29/12/2023	30/12/2022
<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	-13,982,759.67	-40,406,501.82
Interim dividends paid on net capital gains and losses in the financial year	0.00	0.00
<b>Total</b>	<b>-13,982,759.67</b>	<b>-40,406,501.82</b>

	29/12/2023	30/12/2022
<b>F EUR Acc units</b>		
Allocation		
Distribution	0.00	0.00
Non-distributed net capital gains and losses	0.00	0.00
Accumulation	-1,875,329.61	-3,777,083.63
<b>Total</b>	<b>-1,875,329.61</b>	<b>-3,777,083.63</b>

	29/12/2023	30/12/2022
<b>I EUR Acc units</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Non-distributed net capital gains and losses	0.00	0.00
Accumulation	-12,107,430.06	-36,629,418.19
<b>Total</b>	<b>-12,107,430.06</b>	<b>-36,629,418.19</b>

### 3.11. OVERVIEW OF RESULTS AND OTHER SIGNIFICANT ITEMS OF THE ENTITY OVER THE LAST FIVE FINANCIAL YEARS

	31/12/2020	31/12/2021	30/12/2022	29/12/2023
<b>Total net assets in EUR</b>	<b>167,530,562.59</b>	<b>150,350,497.74</b>	<b>94,545,665.47</b>	<b>56,242,929.28</b>
<b>F EUR Acc units in EUR</b>				
Net assets	0.00	16,411,090.05	8,821,342.58	7,539,718.11
Number of units	0.00	258,314.471	144,263.031	158,488.315
Net asset value per unit	0.00	63.53	61.14	47.57
Accumulation per unit on net capital gains or losses	0.00	-11.11	-26.18	-11.83
Accumulation per unit on income	0.00	-0.25	-0.41	-0.18
<b>I EUR Acc units in EUR</b>				
Net assets	167,530,562.59	133,939,407.69	85,724,322.89	48,703,211.17
Number of units	866,406.323	980,371.088	649,953.361	473,173.462
Net asset value per unit	193.36	136.62	131.89	102.92
Accumulation per unit on net capital gains or losses	65.65	6.37	-56.35	-25.58
Accumulation per unit on income	-9.97	-0.87	-0.54	-0.05

### 3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS IN EUR

Name of securities	Currency	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>CHINA</b>				
DIDI GLOBAL INC	USD	1,485,110	5,310,446.30	9.44
EHANG HOLDINGS LTD-SPS ADR	USD	354,647	5,393,626.58	9.59
FOXCONN INDUSTRIAL INTERNE-A	CNY	547,400	1,056,454.61	1.88
HAIER SMART HOME CO LTD-H	HKD	7,643	19,537.80	0.04
JIUMAOJIU INTERNATIONAL HOLD	HKD	6,909	4,885.94	0.01
KE HOLDINGS INC	USD	37,559	551,153.21	0.98
KE HOLDINGS INC-CL A	HKD	7,168	35,982.31	0.07
MEITUAN-CLASS B	HKD	8,425	79,993.91	0.14
MICROTECH MEDICAL HANGZHOU-H	HKD	2,481,975	1,841,537.26	3.28
MINISO GROUP HOLDING LTD	HKD	384,179	1,788,225.59	3.17
MINISO GROUP HOLDING LTD-ADR	USD	176,448	3,258,533.65	5.79
NEW ORIENTAL EDUCATION & TEC	HKD	149,602	958,236.73	1.70
NEW ORIENTAL EDUCATIO-SP ADR	USD	25,616	1,699,307.91	3.02
SHANGHAI BAOLONG AUTOMOTIV-A	CNY	38,900	280,041.87	0.50
SHENZHEN MINDRAY BIO-MEDIC-A	CNY	900	33,383.54	0.06
SUNGROW POWER SUPPLY CO LT-A	CNY	134,545	1,504,237.28	2.68
TAL EDUCATION ADR	USD	205,426	2,348,735.24	4.17
WENCAN GROUP CO LTD-A	CNY	107,800	533,881.34	0.95
WUXI APPTec CO LTD-H	HKD	2,855	26,296.81	0.05
WUXI BIOLOGICS CAYMAN INC	HKD	22,693	77,872.97	0.14
YADEA GROUP HOLDINGS LTD	HKD	1,634,623	2,600,008.99	4.62
ZHEJIANG DINGLI MACHINERY -A	CNY	94,773	619,005.21	1.10
<b>TOTAL CHINA</b>			<b>30,021,385.05</b>	<b>53.38</b>
<b>HONG KONG</b>				
CHINA PHARMACEUTICAL GROUP LTD	HKD	2,735,345	2,302,246.73	4.10
CHINA RESOURCES POWER HOLDINGS CO LTD	HKD	1,188	2,154.05	0.00
<b>TOTAL HONG KONG</b>			<b>2,304,400.78</b>	<b>4.10</b>
<b>CAYMAN ISLANDS</b>				
ALIBABA GROUP HOLDING LTD	HKD	4,625	40,535.61	0.08
ALIBABA GROUP HOLDING LTD ADR	USD	150	10,525.05	0.02
ANTA SPORTS PRODUCTS LIMITED	HKD	260,945	2,291,578.56	4.08
ASM PACIFIC TECHNOLOGY LTD	HKD	187,587	1,620,175.81	2.88
FULL TRUCK ALLIANCE -SPN ADR	USD	371,026	2,354,494.42	4.18
HUAZHU GROUP LTD	HKD	818,037	2,489,461.35	4.42
JD.COM INC-CL A	HKD	110	1,434.66	0.00
KINDSTAR GLOBALGENE TECHNOLO	HKD	6,503,364	1,266,632.06	2.25
NEW HORIZON HEALTH LTD	HKD	1,899,464	5,097,828.20	9.07
TENCENT MUSIC ENTERTAINM-ADR	USD	137,302	1,119,894.10	1.99
TUYA INC	USD	540,847	1,126,101.57	2.00
<b>TOTAL CAYMAN ISLANDS</b>			<b>17,418,661.39</b>	<b>30.97</b>
<b>NETHERLANDS</b>				
PROSUS NV	EUR	96,540	2,605,131.90	4.63
<b>TOTAL NETHERLANDS</b>			<b>2,605,131.90</b>	<b>4.63</b>
<b>TAIWAN</b>				

### 3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS IN EUR

Name of securities	Currency	Quantity or nominal amount	Current value	% of net assets
MEDIATEK INC	TWD	45,586	1,364,799.98	2.43
TAIWAN SEMICONDUCTOR SP ADR	USD	26,607	2,504,981.67	4.45
<b>TOTAL TAIWAN</b>			<b>3,869,781.65</b>	<b>6.88</b>
<b>TOTAL Equities and similar securities traded on a regulated or similar market</b>			<b>56,219,360.77</b>	<b>99.96</b>
<b>TOTAL equities and similar securities</b>			<b>56,219,360.77</b>	<b>99.96</b>
<b>Forward financial instruments</b>				
<b>Other forward financial instruments</b>				
<b>CFDs</b>				
CFDJPD JPM PDD	USD	18419	6,477.40	0.01
JPX DAQO NEW ENERGY	USD	110,892	286,973.11	0.51
JPX VIPSHOP HOLDINGS	USD	143,422	224,614.19	0.40
TCOM JP MORGAN 1230	USD	51,922	39,012.59	0.07
<b>TOTAL CFD</b>			<b>557,077.29</b>	<b>0.99</b>
<b>TOTAL Other forward financial instruments</b>			<b>557,077.29</b>	<b>0.99</b>
<b>TOTAL Forward financial instruments</b>			<b>557,077.29</b>	<b>0.99</b>
<b>Receivables</b>			<b>50,372,041.48</b>	<b>89.56</b>
<b>Payables</b>			<b>-51,259,089.88</b>	<b>-91.14</b>
<b>Financial accounts</b>			<b>353,539.62</b>	<b>0.63</b>
<b>Net assets</b>			<b>56,242,929.28</b>	<b>100.00</b>

<b>F EUR Acc units</b>	<b>EUR</b>	<b>158,488.315</b>	<b>47.57</b>
<b>I EUR Acc units</b>	<b>EUR</b>	<b>473,173.462</b>	<b>102.92</b>

## ANNEX IV

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

**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.

**Product name:** CARMIGNAC CHINA NEW ECONOMY  
**Legal entity identifier:** 969500ANCCOTF7PD0L63

### Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes	No
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ____%	<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
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ____%	<input type="checkbox"/> with a social objective
	<input checked="" type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund applies a "best-in-universe" approach (identifying companies whose activities are sustainable) and a "best-efforts" approach (consisting in favouring issuers that exhibit an improvement or strong prospects in terms of ESG practices and performance over time) in order to invest sustainably: 1) ESG integration, 2) negative screening, 3) active stewardship and 4) monitoring of principal adverse impacts (PAIs).

No failures to achieve the environmental and social characteristics promoted were identified during the year.

## ● *How did the sustainability indicators perform?*

This fund uses sustainability indicators 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. In 2024, the ESG analysis coverage rate was 99.1% of securities, on average, based on quarter-end data.

**2) Reduction of the investment universe:**

The initial investment universe prior to the reduction is made up of around 6,000 to 6,500 equities listed in the "Greater China" region (Mainland China, Hong Kong, Macao, Taiwan and Singapore). The investment universe and the fund are periodically reviewed to maintain their alignment for the purposes of reducing the universe. This investment universe is reduced by a minimum of 20% by applying the exclusions set out below:

- a. **Exclusions at management company level:** Unsustainable activities and practices are identified using an approach based on international standards and rules in the following areas: (a) controversies concerning the OECD Guidelines, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the principles of the United Nations Global Compact, (b) controversial weapons, (c) thermal coal production, (d) energy producers, (e) tobacco, (f) adult entertainment.
- b. **Negative screening specific to the fund:**
  - i. The fund applies extended exclusions or stricter exclusion criteria to the sectors of oil and gas extraction, conventional arms and gambling.
  - ii. The equity portfolio positions with a START rating of below "D" or "E" (on a scale from "A" to "E") are excluded from the fund's investment universe. Companies with a START rating of below "E" for environmental or social pillars (on a scale from "A" to "E") are excluded from the fund's investment universe. Companies with a global MSCI rating of "CCC" (on a scale from "AAA" to "CCC") are excluded from the fund's investment universe. Companies with a global rating of "CCC" or "B" may re-enter the fund's investment universe if they have a START rating of "C" or higher.

In 2024, the portfolio's investment universe was reduced by 25.1%, on average, based on quarter-end data.

**3) 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 2024, Carmignac as a whole conducted 70 engagement efforts with 54 companies and 1 sovereign entity; at the level of Carmignac China New Economy we engaged with 2 companies, namely Anta Sports. We therefore exercised 100% of our voting rights for the companies in which we had holdings.

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

- 4) Principal adverse impacts – PAIs:** Moreover, as regards monitoring principal adverse impacts, and in accordance with Annex 1 to Commission Delegated Regulation (EU) 2022/1288, the fund monitors 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.

Please find below performance data with respect to principal adverse impact indicators for 2024, based on average quarter-end data, for the portfolio's equity and corporate bond components:

PAI indicators	Based on data provided by the company	Fund	Hedging
Scope 1 GHG	Scope 1 GHG emissions	3,652.37	94.02%
Scope 2 GHG	Scope 2 GHG emissions	241.26	94.02%
Scope 3 GHG	From 1 January 2023, Scope 3 GHG emissions	5,149.28	94.02%
Total GHG	Total GHG emissions	9,138.72	94.02%
Carbon footprint	Carbon footprint	573.91	94.02%
GHG intensity level	GHG intensity of companies	1,354.54	94.02%
Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	1%	94.02%
Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and production of investee companies from non-renewable energy sources compared with renewable energy sources, expressed as a percentage	87%	87.42%
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	1.23	91.24%
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)	-	91.24%
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)	-	91.24%
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)	6.30	91.24%
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)	24.66	91.24%
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)	-	91.24%
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)	-	91.24%
Energy consumption intensity per high impact climate sector – NACE	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector –	0.03	91.24%

Sector G	NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)		
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)	-	91.24%
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)	0.02	91.24%
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0%	94.02%
Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.00	2.83%
Hazardous waste	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	1.00	86.37%
Water usage and recycling	Average amount of water consumed and recovered by the investee companies (in cubic metres) per million EUR of revenue	0.00	20.52%
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	-	94.50%
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	-	94.02%
Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	12%	42.54%
Board gender diversity	Average ratio of female to male board members in investee companies	21%	94.02%
Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	-	94.02%
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).	62.75	40.26%



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

This fund uses sustainability indicators 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. In 2023, the ESG analysis coverage rate was 98.5% of securities, on average, based on quarter-end data.
  - 2) **Reduction of the investment universe:** (minimum 20% of the portfolio's equity and corporate bond components):
    - a. **Exclusions at management company level:** Unsustainable activities and practices are identified using an approach based on international standards and rules in the following areas: (a) controversies concerning the OECD Guidelines, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the principles of the United Nations Global Compact, (b) controversial weapons, (c) thermal coal production, (d) energy producers, (e) tobacco, (f) adult entertainment.
    - b. **Negative screening specific to the fund:**
      - i. The fund applies extended exclusions or stricter exclusion criteria to the sectors of oil and gas extraction, conventional arms and gambling.
      - ii. Equity portfolio positions with an MSCI rating for the environmental or social pillars of below 2 (on a scale from 0 to 10), or with an overall MSCI rating of CCC (on a scale from AAA to CCC), are excluded from the fund's investment universe. Companies with a START score of C or above (on a rating scale of A to E) may re-enter the fund once the portfolio manager has carried out ad-hoc analysis (which may entail engagement with the issuer). The table below details the correspondences between the MSCI and START ratings used by the fund for negative screening.
- In 2023, the portfolio's investment universe was reduced by 22.1%, on average, based on quarter-end data.
- 3) **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 2023, we engaged with 60 companies at Carmignac level, and one company at the level of Carmignac China New Economy, namely Anta Sports. We therefore exercised 100% of our voting rights for the companies in which we had holdings.
  - 4) **Carbon emissions reduction target:** The fund aims to contribute to China's carbon neutrality goal for 2060 and is committed to reducing its carbon intensity by 5% per year (base rate: 279.94 tCo2e/€mm of revenue as of 29 December 2023). As at 30 December 2023, the carbon intensity of the Carmignac China New Economy fund was 75.6% lower than it was a year earlier.
  - 5) **Principal adverse impacts – PAIs:** Moreover, as regards monitoring principal adverse impacts, and in accordance with Annex 1 to Commission Delegated Regulation (EU) 2022/1288, the fund monitors 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.

In 2023, we replaced Impact Cubed with MSCI as our data provider for the monitoring of PAIs, as MSCI offered greater transparency and greater flexibility for the creation of our own tools using the raw data provided by MSCI. Please find below performance data with respect to principal adverse impact indicators for 2023, based on average quarter-end data, for the portfolio's equity and corporate bond components:

PAI indicators	Based on data provided by the company	Fund	Hedging
Scope 1 GHG	Scope 1 GHG emissions	3347.36	91.11%
Scope 2 GHG	Scope 2 GHG emissions	644.06	91.11%
Scope 3 GHG	From 1 January 2023, Scope 3 GHG emissions	13363.22	91.11%
Total GHG	Total GHG emissions	17402.07	91.11%
Carbon footprint	Carbon footprint	378.54	91.11%
GHG intensity level	GHG intensity of companies	1028.05	91.11%
Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	91.11%
Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and production of investee companies from non-renewable energy sources compared with renewable energy sources, expressed as a percentage	80%	42.88%
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	2.23	53.88%
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)	0.00	53.88%
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)	0.00	53.88%
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)	1.66	53.88%
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)	40.48	53.88%
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)	0.00	53.88%
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)	0.00	53.88%
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)	0.02	53.88%
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)	0.00	53.88%
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)	0.09	53.88%
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee	0%	90.97%

	companies negatively affect those areas		
Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.43	2.37%
Hazardous waste	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	1.15	34.72%
Water usage and recycling	Average amount of water consumed and recovered by the investee companies (in cubic metres) per million EUR of revenue	0.00	2.47%
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	0.00	92.40%
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	0.72	89.62%
Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	0%	0.00%
Board gender diversity	Average ratio of female to male board members in investee companies	19%	90.66%
Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00	91.00%
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).	67.76	59.68%

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

This fund does not have a sustainable investment objective. However, using Carmignac's SDG alignment methodology, the proportion of sustainable investment was 89.7% in 2024, on average, based on four quarters of data. Further information on Carmignac's methodology is available at: [https://carmidoc.carmignac.com/SRIIP\\_FR\\_en.pdf](https://carmidoc.carmignac.com/SRIIP_FR_en.pdf).

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

N/A

**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.

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

N/A

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

N/A

*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 MSCI allows us to track the impact of our funds for each PAI.

The fund's PAI values are compared against the values for the reference benchmark. If one of the fund's PAIs underperforms the reference benchmark beyond a certain threshold, we look for the companies that contributed the most to the underperformance of the PAI in question. These companies are considered to be outlier stocks.

Identifying companies that are performing worse than the index in terms of PAI allows us to engage in dialogue with the companies to ensure that they are committed to reducing their impact. We identified Anta Sport as one of the main contributors to Carmignac China New Economy's

underperformance on the PAI energy consumption indicator in 2023. We engaged with Anta Sport in 2024, although this engagement was not specifically focused on the PAI relating to energy consumption. We will therefore consider a follow-up dialogue with the company on this PAI in 2025 and ensure that appropriate measures are put in place.

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

Please find below the top 15 investments for 2024 based on average month-end data:

Largest investments	Sector	% Assets	Country
EHANG HOLDINGS LTD	Industry	8.52%	China
TAIWAN SEMICONDUCTOR	IT	7.81%	Taiwan
MINISO GROUP HOLDING LTD	Consumer discretionary	5.72%	China
NEW HORIZON HEALTH LTD	Healthcare	4.59%	China
DIDI GLOBAL INC	Industry	4.34%	China
TAL EDUCATION GROUP	Consumer discretionary	3.96%	China
TUYA INC	IT	3.84%	China
NEW ORIENTAL EDUCATION & TECHONOLGY GROUP	Consumer discretionary	3.83%	China
YADEA GROUP HOLDINGS LTD	Consumer discretionary	3.42%	China
TENCENT MUSIC ENTERTAINMENT GROUP	Telecom Services	2.98%	Taiwan
MEDIATEK	IT	2.95%	China
VIPSHOP HOLDINGS LTD	Consumer discretionary	2.78%	Taiwan
WIWYNN CORP	IT	2.50%	China
ALIBABA GROUP HOLDING	Consumer discretionary	2.48%	China
KE HOLDINGS INC	Property		

Source: Carmignac, 31/12/2024

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

This fund does not have a sustainable investment objective. However, using Carmignac's SDG alignment methodology, the proportion of sustainable investment was 89.7% in 2024, on average, based on four quarters of data. Further information on Carmignac's methodology is available at: [https://carmidoc.carmignac.com/SRIIP\\_FR\\_en.pdf](https://carmidoc.carmignac.com/SRIIP_FR_en.pdf).

#### What was the asset allocation?

At least 90% of the fund's positions are intended to attain the environmental or social characteristics it promotes, in accordance with the binding elements of the investment strategy. In 2024, the ESG analysis coverage rate was 99.1% of the securities in the portfolio (excluding cash and derivatives), on average, based on quarter-end data.

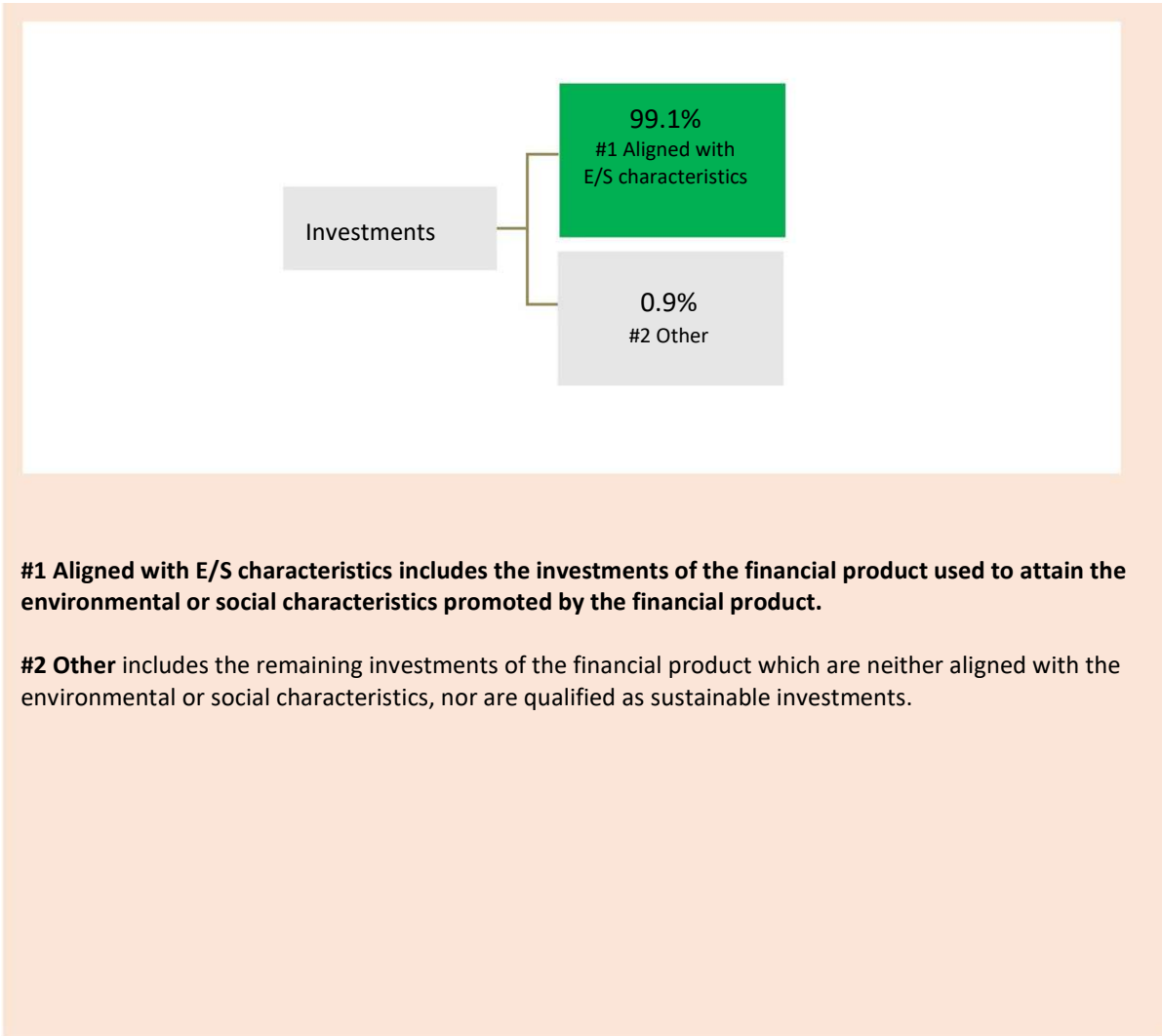
#### Share of “#2 Other” investments:

The “#2 Other” category is for investments that fall outside the minimum limit of 90% incorporating environmental and social characteristics. Full ESG analysis may not have been carried out.

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

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.



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

Please find below the main economic sectors in which investments were made in 2024, based on average month-end data:

Economic sectors	% Assets
Information technology	34.28%
Consumer discretionary	32.27%
Industrials	15.88%
Healthcare	7.95%
Telecom services	4.30%
Real estate	2.56%
Utilities	2.36%
Financials	0.39%
Consumer staples	0.03%

Source: Carmignac, 31/12/2024



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

Alignment with the EU Taxonomy is not its objective. In 2024, its alignment with the EU taxonomy was 0%.

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

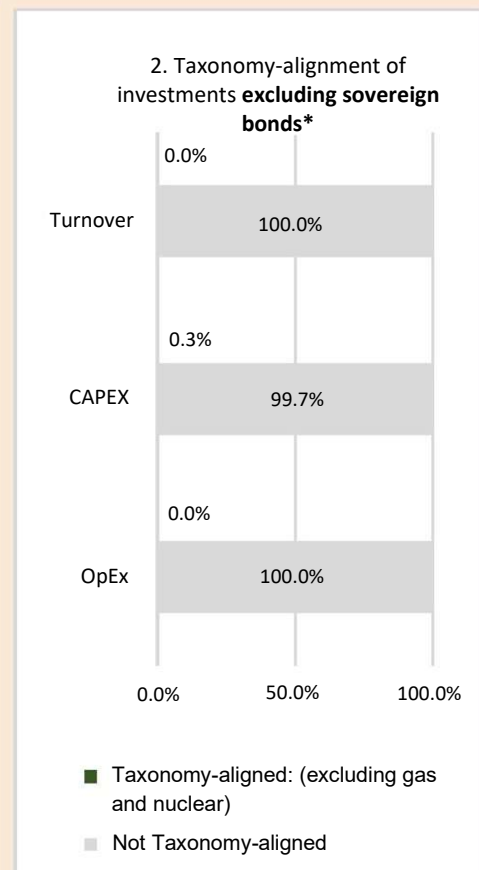
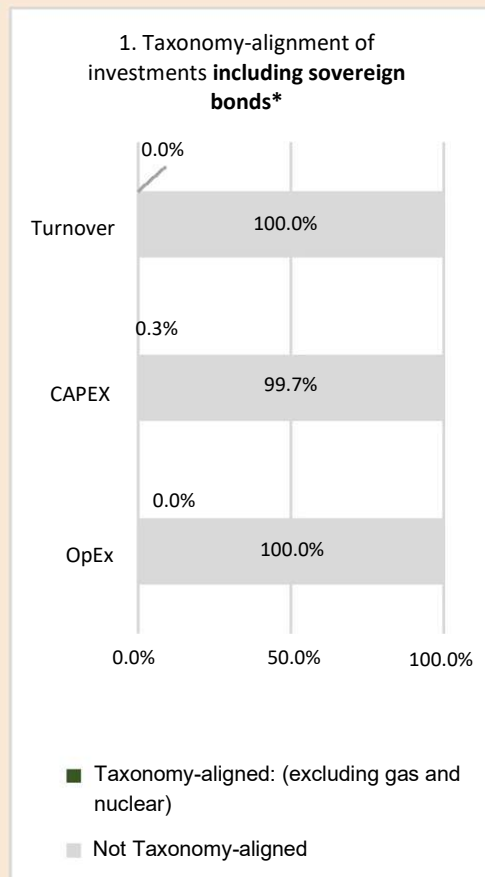
☐

In nuclear energy

☒

No:

*The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



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



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

<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 that were aligned with the EU Taxonomy compare with previous reference periods?***

In 2023, its alignment with the EU Taxonomy was 7.33%.



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

N/A



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

N/A



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

The remainder of the portfolio (i.e. beyond the minimum share of 90%) may also promote environmental and social characteristics but is not systematically covered by ESG analysis. These assets may include derivatives or listed securities, for which ESG analysis may be carried out after the financial instrument in question is acquired by the fund. Cash (and equivalent instruments) and derivatives (used for hedging or exposure purposes) are also included under “#2 Other”.

Environmental, social and governance considerations are integrated into the instruments enabling synthetic exposure based on the framework applied to derivative instruments, as detailed below. The approach adopted will depend on the type of derivative instrument used by the fund: a derivative on a single underlying or a derivative on an index.

**Derivatives on a single underlying**

Derivatives offering short exposure to a single underlying security are not subject to additional checks related to ESG. The underlying issuer may feature on the fund’s exclusion lists, given that signalling a lack of confidence in a company with poor ESG characteristics by short selling the security is considered reasonable when attempting to balance the investment objectives of holders. These instruments are not subject to a START rating.

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



## Derivatives on an underlying index

Derivatives offering exposure to an index, whether long or short, may be subject to additional checks to ensure their eligibility as a fund asset, depending on their purpose.

- Derivatives used for the purposes of hedging and efficient portfolio management: Index derivatives acquired by the fund for hedging purposes are not analysed on the basis of ESG criteria.
- Derivatives used for the purposes of exposure: Index derivatives may be acquired for the purposes of exposure, provided that they present the following characteristics and are held for a period of greater than one month:
  - Concentrated index (five components or less): The index must not include components that are included on the fund's exclusion list.
  - Broad index (more than five components): The significant majority of the index (>80% of exposure) must comprise companies that are not included on the fund's exclusion list.

In addition, the weighted average ESG rating of the index must be higher than BBB (MSCI) or C (START), and ESG coverage of the index (MSCI or START) must be above 90%.

The fund's reference indicator remains outside the scope of application of this framework that is applicable to index derivatives, and is not taken into account for ESG purposes.

The fund applies a netting calculation (netting a long position against equivalent short positions in the relevant issuer) in order to measure adverse impacts.

All of the fund's assets (excluding cash and derivatives) are subject to sectoral and standards-based exclusions guaranteeing minimum environmental and social safeguards.

Moreover, the exclusion process, the lack of significant harm, and monitoring of adverse impacts apply to all fund assets.

All of the fund's assets (excluding cash and derivatives) apply sectoral and standards-based negative screening and exclusions guaranteeing minimum environmental and social safeguards.

Moreover, the exclusion process ensuring compliance with the do no significant harm principle, lack of significant harm, and monitoring of adverse impacts apply to all fund assets.

In 2024, no derivatives were used to achieve the environmental and social characteristics promoted by the fund.



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

**The actions listed below were carried out by Carmignac in 2024 to support our global investment process by responding to environmental/social characteristics:**

### ESG integration

In 2024, we introduced a new model in some of our funds to meet the objectives of the Paris agreements. The portfolio's climate targets have been set to reduce greenhouse gas emissions by 50% in 2030, 70% in 2040 and to reach net zero by 2050. The reference year for the portfolio's climate targets is 2018.

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

In 2024, we also formalised our ESG integration process for collateralised loan obligations (CLOs). ESG analysis is carried out for a significant proportion of CLOs. Ad hoc analysis of the environmental and/or social characteristics of eligible securitisation vehicles is conducted by the portfolio manager. Funds using this model cannot invest in lower-rated instruments.

We have developed and introduced a holistic approach to assessing sustainable bonds, including green bonds, social bonds, sustainability bonds and sustainability-linked bonds (SLBs). These bonds are no longer considered as sustainable investments by default; they must meet certain specific criteria following an ESG analysis in order to be considered as SFDR "sustainable investments".

We have established a new framework for integrating ESG analysis into the derivative exposures of all our funds. Underlyings for single-asset derivatives and index derivatives held for exposure purposes are now subject to ESG analysis. Derivatives on a single underlying asset held for exposure purposes are now subject to the same ESG integration criteria as long positions and the ESG integration criteria have been developed as described in the document above for index derivatives. Derivatives held for hedging or efficient portfolio management purposes can still be held in the portfolio without being subject to ESG analysis. The policy was developed and implemented by the team of sustainable investment specialists and is overseen by the company's risk function.

Throughout 2024, we improved our proprietary model by adding new environmental, social and governance KPIs. This new proprietary model will be launched in 2025.

### **ESG transparency and reporting**

We have continued to provide comprehensive information on our approach. Our ESG policies and reports can be found on the Carmignac website: <https://www.carmignac.com/en-gb/sustainable-investment/policies-and-reports>

In our TCFD 2024 report, we have introduced a new metric of the physical risks faced by businesses: Climate VaR (climate value at risk). Climate VaR quantifies the economic value potentially at risk depending on different climate scenarios. Publication of the Climate VaR is available as part of our wider TCFD report and can be viewed at: [https://carmidoc.carmignac.com/SRICA\\_UK\\_en.pdf](https://carmidoc.carmignac.com/SRICA_UK_en.pdf)

Carmignac recognises the importance of "walking the talk". That is why we published our Corporate Social Responsibility (CSR) policy in 2024. Our CSR approach is based on 5 key pillars: our operational environmental footprint, promoting an engaged workforce and an inclusive environment, our duty to society, our commitment to the arts through the Carmignac Foundation, and our responsible business conduct. Our CSR policy can be consulted at the following address: [https://carmidoc.carmignac.com/CSR\\_FR\\_en.pdf](https://carmidoc.carmignac.com/CSR_FR_en.pdf).

In 2024, we also overhauled our exclusion policy to further increase transparency for our investors. The policy now includes the justification for each exclusion, the revenue threshold used for these exclusions and a table detailing the funds affected by the exclusion criteria. In addition, we have clarified our integration of the UN Guiding Principles on Business and Human Rights into our controversy monitoring processes. Our exclusion policy is available at the following address [https://carmidoc.carmignac.com/SRIEXP\\_UK\\_en.pdf](https://carmidoc.carmignac.com/SRIEXP_UK_en.pdf).

## **Commitments**

Objective of 100% of votes: At Carmignac level we managed to participate in 98.15% of general meetings in 2024 (95% in 2023) and at fund level in 100% of all possible votes at annual general meetings.

Stewardship Code: We have once again been approved by the FRC as a signatory to the Stewardship Code by complying with all the principles, as formalised in our annual Stewardship Report: [https://carmidoc.carmignac.com/SWR\\_FR\\_en.pdf](https://carmidoc.carmignac.com/SWR_FR_en.pdf).

Regulatory consultation: We have participated in roundtable discussions on ESG issues facing our industry, our products and the sector as a whole, and have also contributed to consultations and discussions led by our regulators, through the working groups of our fund associations such as AI UK, Alfi Luxembourg and AFG, France.

Carmignac believes that direct engagement and collaborative engagement are worthwhile, and that a combination of the two leads to the most impactful and effective management. It is by working together that investors can have the most effective influence on companies with regard to important ESG matters, including market-wide systemic risks, and ultimately help to improve the way the markets operate. We stepped up our participation in Climate 100+ with this in mind, particularly for the collective engagement with Pemex, as holder of the company's bonds. In 2024, we joined the Nature 100+ collaborative commitment initiative on biodiversity-related issues. We have also joined the WBA collective impact coalition on ethical AI.

With regard to engagement specifically, we have a fiduciary duty to fully exercise our rights as shareholders 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 non-financial risks and significantly improve their ESG profile, while creating long-term value 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. In order to ensure that the company correctly identifies, anticipates and manages any potential or confirmed conflict-of-interest situation, Carmignac has put in place and maintains policies and guidelines. For more information on our engagement policies, please visit the website.

In 2024, Carmignac as a whole conducted 70 engagement efforts with 54 companies and 1 sovereign entity on specific ESG issues, and at the level of the Carmignac China New Economy fund we engaged with 12 companies.

We held discussions with Anta Sports about its approach to responsible cotton sourcing, as we found that it had left the Better Cotton initiative and we wanted to know if it would continue to source cotton produced in the Xinjiang Autonomous Region in north-west China. The company explained that it did not source its cotton directly, but went through Tier 2 and Tier 3 suppliers. It recognises that human rights in the supply chain are a major risk for the company and is carrying out ESG analysis before working with suppliers as well as conducting audits of its suppliers. The company has also cut links with controversial suppliers that have been cited in NGO reports. Since our discussion, the company has improved its reporting on supply chain management and published a list of suppliers on its website. We therefore believe that the company is mitigating the risk as much as possible.



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.

**CARMIGNAC GESTION**

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