27 SEPTEMBER 2024

PROSPECTUS

CARMIGNAC CHINA NEW ECONOMY

Standard French investment fund

I. GENERAL CHARACTERISTICS

1. Structure of the Fund
Carmignac China New Economy (the "Fund") is a French Mutual Fund ("FCP").

2. Name
Carmignac China New Economy.

3. Legal form and Member State in which the AIF was established
The Fund is a French Retail Investment Fund

Although the Fund is of the retail investment fund type within the meaning of Article L 214-24-24 of the French Monetary and Financial Code, it will be managed in accordance with the investment rules of UCITS IV Directive 2009/65/EC, as transposed into French law.

4. Creation date and intended lifetime
The Fund was approved by the AMF on 17 December 2019. It was launched on 31 December 2019 for a period of ninety-nine years.

5. Fund overview

UNIT CATEGORIES	ISIN	ALLOCATION OF DISTRIBUTABLE INCOME	BASE CURRENCY	TARGET INVESTORS	MINIMUM INITIAL SUBSCRIPTION*	MINIMUM SUBSEQUENT SUBSCRIPTION*
F EUR Acc	FR0014002E46	Accumulation	Euro	All investors	EUR 1,000,000	n/a
I EUR Acc	FR0013467024	Accumulation	Euro	All investors	EUR 5,000,000	n/a

* *The minimum subscription amount does not apply to the Carmignac group.*

Subscription requests may relate to an amount, a whole number of units or a fraction of units, each unit being divided into thousandths. Redemption requests may relate to an amount, whole number of units or to a fraction of units, each unit being divided into thousandths

6. Address at which the latest annual and semi-annual reports can be obtained
The latest annual and semi-annual reports shall be sent to unitholders within eight business days upon written request to: CARMIGNAC GESTION, 24, place Vendôme, 75001 PARIS.

Contact: Communications department
Tel: +33 (0)1 42 86 53 35 - Fax: +33 (0)1 42 86 52 10

Any change in the Fund's risk management (liquidity risk management in particular) or leverage will be mentioned in the Fund's annual report.

This information, the prospectus and KID (Key Information Document) are also available at www.carmignac.com. The AMF website (www.amf-france.org) contains additional information on the list of regulatory documents and all the provisions relating to investor protection.

II. DIRECTORY

1. Management company

CARMIGNAC GESTION, a société anonyme (public limited company), with registered office at 24, Place Vendôme, 75001 Paris, approved by the Autorité des marchés financiers (formerly COB) on 13 March 1997 under number GP 97-08 (the "Management Company"). The Management Company has enough capital to cover any liability for professional negligence.

2. Custodian

BNP PARIBAS SA, a credit institution approved by the Autorité de contrôle prudentiel et de résolution (ACPR), having its registered office at 16, Boulevard des Italiens - 75009 Paris, France (postal address: 9, rue du Débarcadère - 93500 Pantin, France), entered in the Paris Trade and Companies Register (RCS) under number 662 042 449, and overseen by the Autorité des marchés financiers (AMF). *Description of the Custodian's role*: BNP Paribas S.A., carries out the tasks described in the regulations applicable to the Fund:

- safekeeping of fund assets
- checking that decisions taken by the Management Company are lawful
- monitoring the Fund's cash flows.

The Management Company has also appointed the Custodian to manage the Fund's liabilities, which includes centralising Fund unit subscription and redemption orders, and keeping a register of Fund units issued. The Custodian is independent of the Management Company.

Identification and management of conflicts of interest: potential conflicts of interest may be identified, especially in cases where the Management Company has business relations with the Custodian going beyond those relating to custody. To manage these situations, the Custodian has drawn up, and regularly updates, a conflict of interest management policy aimed at preventing any conflicts of interest that may result from these business relations. The aim of the policy is to identify and analyse potential conflicts of interest, and to manage and monitor these situations.

Delegates: BNP PARIBAS S.A., is responsible for the safekeeping of the Fund's assets. However, the custodian may delegate its safekeeping activities to a sub-custodian in order to offer asset custody services in certain countries. The sub-custodian appointment and supervision process meets the highest quality standards, and includes the management of potential conflicts of interest that may arise through these appointments.

A description of the delegated custody tasks, a list of delegates and sub-delegates of the Custodian, and information on conflicts of interest that may result from these delegations, are available on the Custodian's website: http://securities.bnpparibas.com/solutions/asset-fund-services/depositary-bank-and-trustee-serv.html.
Up-to-date information is made available to investors on request.

The list of sub-custodians is also available on www.carmignac.com. A paper copy of this list is available free of charge, on request, from the Management Company.

3. Statutory auditor

KPMG AUDIT, 2, avenue Gambetta – 92066 Paris La Défense
Authorised signatory: Isabelle Bousquié

4. Promoter

Carmignac Gestion, *société anonyme* (public limited company), 24, place Vendôme, 75001 Paris

5. Accounting delegated to

CACEIS Fund Administration, société anonyme (public limited company), 1-3 Place Valhubert, 75013 Paris. CACEIS Fund Administration is the CREDIT AGRICOLE group entity specialising in fund administration and accounting for the group's internal and external clients.

On this basis, the Management Company has delegated the Fund's accounting administration and valuation to CACEIS Fund Administration as account manager. CACEIS Fund Administration is responsible for valuing assets, calculating the Fund's net asset value and producing periodic documents.

The Management Company has introduced a policy to identify, prevent, manage and monitor any conflicts of interest that could result from these delegations, available on www.carmignac.com.

6. Delegated centralising agent

The Management Company has appointed BNP PARIBAS S.A. to manage the Fund's liabilities and, to this end, centralise and process requests to buy and sell fund units. As issuance account keeper, BNP PARIBAS S.A. manages relations with Euroclear France for all procedures requiring this organisation's involvement.

a) centralisation of subscription and redemption requests delegated by the Management Company

BNP PARIBAS S.A.: registered office is located at 16, Boulevard des Italiens - 75009 Paris, France; postal address: 9, rue du Débarcadère - 93500 Pantin, France.

b) Other establishments responsible for receiving subscription and redemption requests

CACEIS Bank, Luxembourg Branch (Pre-centralising agent)

5, allée Scheffer, L-2520 Luxembourg

7) Institutions responsible for ensuring compliance with the centralisation cut-off time as delegated by the management company

BNP PARIBAS S.A.: registered office is located at 16, Boulevard des Italiens - 75009 Paris, France; postal address: 9, rue du Débarcadère, 93500 Pantin, France

8. Registrar

BNP PARIBAS S.A.: registered office is located at 16, Boulevard des Italiens - 75009 Paris, France; postal address: 9, rue du Débarcadère - 93500 Pantin, France.

III. OPERATING AND MANAGEMENT PROCEDURES

GENERAL CHARACTERISTICS

1° Characteristics of the units

ISIN code:

- F EUR Acc unit class: FR0014002E46
- I EUR Acc units: FR0013467024

Net asset value of a unit on launch date: EUR 100

• Rights attached to the units:

Each unitholder has a co-ownership right in and to the assets of the Fund proportional to the number of units they hold.

• Custodian:

The role of custodian is assumed by BNP PARIBAS S.A., a credit institution approved by the ACPR, 16, Boulevard des Italiens, 75009 PARIS, France – Postal address: 9, rue du Débarcadère, 93500 Pantin, France - RCS: 662 042 449 RCS Paris. Units are admitted for trading by Euroclear France.

Voting rights:

Specific characteristics of an FCP: no voting rights are attributed to the ownership of units; all decisions are taken by the Management Company.

• Form of units:

Units are issued in bearer or administered registered form. They may not be issued in pure registered form.

• Fractions of units (if any):

Unitholders may subscribe and redeem thousandths of units.

2° Year-end

The accounting year ends on the date of the last net asset value of the month of December. The Fund's first financial year ended on 31 December 2020.

3° Tax regime

The Fund is governed by the provisions of appendix II, point II. B. of the Agreement between the government of the French Republic and the government of the United States of America intended to improve compliance with tax obligations internationally and implement the law concerning respect for tax obligations applicable to foreign accounts signed on 14 November 2013.

Investors are reminded that the information that follows only constitutes a general overview of the French tax regime applicable to investments in a French accumulation fund according to current French legislation. Investors are therefore advised to assess their personal situation with their usual tax adviser.

• At fund level:

Due to their co-ownership structure, FCPs are not subject to corporation tax in France; they therefore enjoy a certain level of transparency. Therefore, income received and earned by the Fund in the course of its investment activities is not taxable at this level.

Abroad (in the investment countries of the Fund), gains realised on the sale of foreign transferable securities and foreign income received by the Fund in connection with its investment activities may in some cases be taxable (generally in the form of withholding tax). Foreign taxes may, in limited cases, be reduced or waived if any tax treaties apply.

• At unitholder level:

- Unitholders resident in France: gains or losses realised by the Fund, income distributed by the Fund as well as gains or losses recorded by the unitholder are subject to the applicable tax regime;
- Unitholders resident outside France: subject to tax treaties, taxes imposed in article 150-0 A of the Code Général des Impôts (CGI), the French General Tax Code, do not apply to gains realised at the time of the redemption or sale of units of the Fund by persons who are not resident in France for tax purposes within the meaning of article 4 B of the CGI, or whose registered office is located outside France, provided that these persons have not directly or indirectly held more than 25% of the units at any time in the five years prior to the redemption or sale of their units (CGI, article 244 bis C).

Unitholders resident outside France shall be subject to the provisions of the tax legislation in force in their countries of residence.

SPECIFIC PROVISIONS

1° 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° REFERENCE INDICATOR

The Fund's reference indicator is the MSCI China Index (USD), calculated with net dividends reinvested (Bloomberg code: NDEUCHF), reconverted into EUR (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 (ex 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.

3° INVESTMENT STRATEGY

a) 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.

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

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.

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.

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

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.

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 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.

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.

UCIs and 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.

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.

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, d oes not have any power over the composition or management of the Fund's portfolio.

As part of these operations, the Fund may receive/give financial guarantees (collateral); the section entitled “Collateral management” contains information on how these work and on their characteristics.

4° EXTRA-FINANCIAL CHARACTERISTICS

The Fund promotes environmental and/or social characteristics, in accordance with Article 8 of Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosure Regulation – "SFDR"). Information on responsible investment can be found in the annex to this prospectus

5° 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 overall counterparty risk.

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

The counterparty risk involved in OTC derivatives transactions and the risk involved in temporary purchases/sales of securities may not, in aggregate, exceed 10% of the Fund's net assets where the counterparty is one of the credit institutions defined in the regulations in force, or 5% of its net assets in all 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.

6° 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 be caused 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) **Risk associated with market capitalisation:** 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 euros 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 on the "Responsible Investment" page of the website www.carmignac.com.

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

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

- 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:

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

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

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

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.

7° 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 5 years.

The appropriate investment amount depends on the personal situation of the investor. To determine this amount, investors' personal wealth, their cash requirements now and 5 years from now as well as their degree of risk aversion must all be taken into account. It is recommended that investors seek the advice of a professional in order to diversify their investments and to decide 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.

ALLOCATION OF 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)

8° FREQUENCY OF DISTRIBUTIONS

No dividends are distributed for an accumulation fund.

9° CHARACTERISTICS OF THE UNITS

The units are denominated in euro. Thousandths of units may be issued.
The Management Company has introduced a conflict of interest management policy concerned mainly with treating investors fairly and equally. This policy can be obtained from the Management Company on request.

10°SUBSCRIPTION AND REDEMPTION PROCEDURES

Orders are executed on the basis of the table below:

D-1	D-1	BUSINESS DAY D, NAV DATE	BUSINESS DAY D+1	D+2 WORKING DAYS MAX.	D+2 WORKING DAYS MAX.
Centralisation of subscription requests before 6pm	Centralisation of redemption requests before 6pm	Order execution by D at the latest	Calculation of net asset value	Delivery of subscriptions	Settlement of redemptions

Date and frequency of the net asset value

The net asset value is calculated daily according to the Euronext Paris calendar, with the exception of official holidays in France, and stock market holidays in the United States (NYSE American and Nasdaq), the People's Republic of China (Shanghai and Shenzhen stock exchanges), and Hong Kong. In that case, the net asset value is calculated on the next full bank business day. The list of these holidays can be obtained from the centralising agent on request.

Terms and conditions of subscriptions and redemptions

Subscriptions and redemptions resulting from a request transmitted after the cut-off time mentioned in the prospectus (late trading) are prohibited. Subscription/redemption requests received by the centralising agent after 6pm (CET/CEST) shall be considered to have been received on the subsequent net asset value calculation day.

The period between the date the subscription or redemption request is centralised and the settlement date by the Custodian to the bearer is three business days for all units. If one or more holidays (Euronext holidays and French public holidays) occur during this settlement period, then the period will be extended accordingly. The list of these holidays can be obtained from the centralising agent on request.

The Management Company respects the principles set out in AMF position 2004-07 regarding market timing and late trading practices. Its compliance with these practices is notably reflected in a confidentiality agreement signed with each professional investor as per Directive 2009/138/EC (Solvency II), such that sensitive information on the portfolio's composition will be used only to meet prudential obligations.

Redemption capping mechanism:

Pursuant to articles L.214-8-7 of the French Monetary and Financial Code and 411-20-1 of the AMF General Regulation, the management company may decide to cap redemptions ("gates") in exceptional circumstances and if deemed necessary to protect the interests of unitholders. The management company has provided for a cap on redemptions from a threshold of 5% corresponding to the ratio between net redemptions of subscriptions and the fund's net assets. The implementation of this mechanism is not systematic and the management company reserves the right to meet redemption requests fully or partially above this threshold.

The threshold for the redemption cap mechanism is specified in Article 3 of the management regulations and corresponds to the ratio between:

- The difference recorded, on the same date of centralisation, between the number of fund units for which redemption is requested or the total amount of these redemptions, and the number of fund units for which subscription is requested or the amount of these subscriptions; and
- The total number of units in the fund, or its net assets.

The threshold for the redemption cap mechanism is identical for all of the unit classes in the fund.

The implementation of this mechanism is not systematic and the management company reserves the right to meet redemption requests fully or partially above this threshold. The redemption cap mechanism may be applied for a maximum duration of twenty (20) net asset values over three (3) months. Notwithstanding the mechanism being activated, the management company may also decide on a given net asset value date to meet in full or in part redemption requests that exceed this threshold.

For example, if net redemptions on a given NAV date represent 8% of the Fund's net assets, the threshold (5%) is reached. Two scenarios arise:

- If liquidity conditions are favourable, the management company may decide not to trigger the redemption cap mechanism and honour all redemption requests; or
- If the management company considers that liquidity conditions are unfavourable, the redemption cap mechanism is applied at a threshold of 5% or any higher threshold (as determined by the management company on the basis of the liquidity conditions prevailing on the NAV date in question). The portion of redemption requests exceeding the threshold selected is carried forward to the next NAV date. Thus, if the management company chooses a threshold of 5%, redemption requests representing 3% of the net assets are carried forward to the next NAV date (the management company executes redemption requests up to the limit of 5% of the Fund's net assets). If the management company chooses a threshold of 7%, redemption orders representing 1% of the net assets are carried forward to the next NAV date (the management company executes redemption orders up to the limit of 7% of the Fund's net assets).

The application of this mechanism is identical for all the unitholders in the fund who have made a redemption request for the same net asset value date. Consequently, these redemption orders are executed in the same proportion for all fund unitholders. Orders not executed are automatically carried forward to the next net asset value date. Orders carried forward in this manner do not have priority over new redemption orders placed for execution on the next net asset value date. If a redemption gate is again activated on this net asset value date, these orders are split according to the same conditions as new orders. Unitholders should note that they cannot cancel or rescind any portion of an order not executed on a net asset value date, which will be automatically carried forward to the next net asset value date.

All unitholders are informed of the activation of the redemption cap by means of a notice published on the management company's website (www.carmignac.com). Investors are directly informed as soon as possible when a fraction of their redemption order has not been executed on a given net asset value date.

This redemption cap mechanism is a temporary measure. Its duration is justified in view of the frequency of the net asset value calculation, the fund's investment strategy and the liquidity of the assets it holds. Article 3 of the management regulations specifies the maximum number of NAVs and the maximum period for which the mechanism can be activated.

Place and methods of publication or communication of the NAV

CARMIGNAC GESTION, address: 24, place Vendôme, 75001 Paris.

The net asset value announced at 3pm (CET/CEST) each day shall be used for the calculation of the subscriptions and redemptions received before 6pm (CET/CEST) two days prior. The net asset value is published on www.carmignac.com. The net asset value is also available upon request from the Management Company.

11°FEES AND EXPENSES

a) Fund subscription and redemption fees

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price.

The fees charged by the Fund serve to offset the costs incurred by the Fund to invest and disinvest investors' monies. Fees not paid to the Fund are attributed to the Management Company, the Fund Promoter, etc.

EXPENSES PAYABLE BY THE INVESTOR, DEDUCTED AT THE TIME OF SUBSCRIPTIONS AND REDEMPTIONS	BASIS	RATE
Maximum subscription fee, inclusive of tax, not payable to the Fund	Net asset value X number of units	None
Subscription fee payable to the Fund	Net asset value X number of units	None
Redemption fee not payable to the Fund	Net asset value X number of units	None
Redemption fee payable to the Fund	Net asset value X number of units	None

b) Management and administration fees

	FEES CHARGED TO THE FUND	BASIS	RATE
1	Financial management fees	Net assets	F EUR Acc Maximum 1.15% inclusive of tax I EUR Acc Maximum 0.85% inclusive of tax
2	Operating and other service expenses	Net assets	F EUR Acc and I EUR Acc 0.15% (flat rate**)
5	Performance fee	Net assets	F EUR Acc A maximum of 20% of the Fund's outperformance relative to the reference indicator (1); I EUR Acc A maximum of 10% of the Fund's outperformance relative to the Reference Indicator provided that the Fund's performance is positive (1).

Financial management fees include any retrocessions paid to external companies or entities belonging to the same group, including those tasked with financial management or distribution of the UCITS. Such retrocessions are generally calculated as a percentage of the management fee and administration fees external to the management company.

The management company has established a system to ensure that all unitholders are treated fairly.

In principle, no preferential treatment is granted. The only exception is preferential financial treatment in the form of a discount negotiated with certain investors in relation to a portion of the management fees. These are only granted for objective reasons, such as a commitment from an institutional investor to invest a significant amount or over a long period. It may be the case that such discounts are granted to investors with a legal or economic link to the management company.

It should be noted that retrocessions paid to intermediaries for selling the Fund are not considered preferential treatment.

** Operating and other service expenses:*
Operating and other service expenses are fixed to cover and pay for the functions and services provided by the management company (other than those excluded below, mainly financial management and distribution) and the operating expenses of the fund. A provision is set aside for them at each net asset valuation of the fund.

Operating and other service expenses included under this heading are:
(1) fund registration and listing costs, such as costs associated with registration and formalities with local regulators in the countries where the fund is registered (fees of lawyers, advisers or service providers for assistance with registration or listing), costs of listing and publication of the net asset value, costs of distribution/listing platforms, commission of agents interfacing with distribution (paying agents, representative agents, etc.);
(2) client and distributor information costs, such as the cost of compiling and publishing regulatory documentation (including service providers), reporting, communication of information to distributors (in particular the costs and charges of producing and publishing market data files), the cost of customer and distributor monitoring tools, information to unitholders (including letters to unitholders – except in the case of mergers, takeovers and liquidations), the cost of maintaining the management company's website, the fund's translation costs, and the cost of responding to due diligence requests from third parties;
(3) data costs, such as the cost of licensing the reference indicator, the cost of data used for republication to third parties and, more generally, for investor information in addition to periodic reports, the cost of access to providers of financial information and data (with the exception of items relating exclusively to the portfolio manager's decision-making or risk management), the cost of access to investor data providers, costs resulting from specific client requests, the cost of specific data, audit costs and certification costs;
(4) the fees of external service providers or internal expenses necessary for the operation of the fund. Under this heading are included, by way of illustration, expenses paid to the fund's depositary for asset safekeeping, centralisation and depositary oversight functions (including fees paid to sub-depositaries), auditor's fees, custodian's fees, outsourced middle office fees, fees paid to the administrative and accounting management delegate, audit costs, tax expenses (including taxes paid on behalf of the fund, external advisers and service providers), the fund's legal costs, internal costs relating to the supervision of delegated or outsourced activities, costs relating to the creation of the fund or the offering of units;
(5) expenses relating to compliance with regulatory obligations and regulatory reporting, such as expenses and costs of implementing regulatory reporting to the regulator (e.g., reporting relating to ratio breaches and compensation, Solvency reporting, AIFM reporting), expenses relating to compliance with regulatory obligations (e.g., monitoring of the fund's pricing strategy, subscriptions to the mandatory professional association, operating costs for monitoring limit overruns), operating costs relating to the maintenance and implementation of the policy on voting rights at meetings of the securities making up the fund's assets;
(6) operating expenses, such as the cost of monitoring compliance and statutory investment restrictions;
(7) fees and costs relating to KYC and the completion of the due diligence and checks required for this knowledge and for monitoring it, fees for monitoring fundraising and the investor base.
All the fees and expenses listed above include (i) the salaries of the employees involved in these operating and other service expenses (ii) the real estate, insurance and general costs of the management company, (iii) the IT costs and tools required for the services provided and the operation of the fund (including cybersecurity), subject to the exclusions detailed below.
Operating and other service expenses do not include (1) financial management fees (including trailer fees) and all operating and other service expenses directly linked to financial management, (2) fees and expenses linked to the promotion of the fund, (3) costs linked to hedging operations, (4) transaction costs, (5) brokerage fees, (6) fees for financial and non-financial data used exclusively in financial management and (7) fees linked to the research payment account.

*** Operating and other service expenses are charged on a flat-rate basis up to the maximum rate shown above. They are defined as a fixed percentage of the fund's net assets and, as a result, the amount of operating and other service expenses charged to the fund by the management company may differ from the actual costs. The management company retains all the charges levied, i.e. a margin, if the actual expenses are lower than the charges levied. Conversely, if actual expenses exceed the maximum flat rate, the management company will pay the excess.*

(1) 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:

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

The performance fee is paid to the Management Company in full at the end of the financial year.

Other fees charged to the Fund:
Contributions payable to the AMF for fund administration in accordance with d) of 3° of II of article L.621-5-3 of the French Monetary and Financial Code are charged to the Fund.
Extraordinary, one-off costs for recovering a debt or exercising a right (e.g. class action), only where the outcome is in the Fund's favour, and when the Fund has actually received the money.

Information on these charges is also provided ex-post in the Fund's annual report.

Calculation and distribution of the proceeds of temporary purchases and sales of securities

The Management Company does not receive any remuneration in respect of efficient portfolio management techniques (temporary purchases and sales of securities). All income resulting from these techniques is returned to the Fund, minus operating costs charged by Caceis Bank Luxembourg Branch as lending agent in securities lending/borrowing transactions. The lending agent's charges may not exceed 15% of income generated on these lending/borrowing transactions. With respect to repurchase agreements, the Fund is the direct counterparty in such transactions and receives the full amount of the remuneration.

For further information, please refer to the Fund's annual report.

Payments in kind

Carmignac Gestion does not receive payments in kind for its own account or on behalf of third parties as defined in the General Regulation of the *Autorité des marchés financiers*. For further information, please refer to the Fund's annual report.

Choice of intermediaries

Carmignac Gestion uses a multi-criteria approach in order to select intermediaries that guarantee the best execution of stock market orders.

The criteria applied are both quantitative and qualitative and depend on the markets for which the intermediaries provide services, in terms of both geographical area and instruments.

The analysis criteria include the availability and proactivity of the intermediary's representatives, the financial situation of the intermediaries, the speed, quality of processing and execution of orders, and intermediary costs.

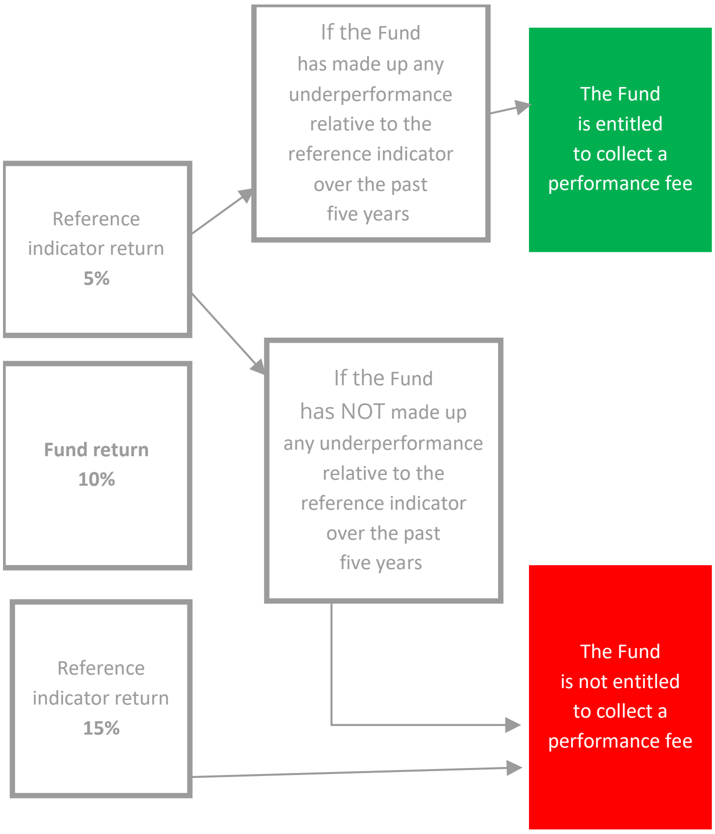
Research and inducements

Carmignac will not procure any research service unless it is needed to reach an informed decision in the Fund's best interests. Before procuring the research service, fund managers and/or analysts will check that it is appropriate, justify their request with evidence, and assess how reasonable the service is. The request is reviewed by a local compliance officer. The budget is allocated in such a way as to distribute the research cost fairly between the different funds. Generally speaking, investment decisions relating to funds with similar investment objectives and mandates are taken on the basis of the same research service. In their best interests, funds sharing a similar strategy and benefitting from the same research service will share costs. The management team allocates the budget. Carmignac collects the money from the Funds only when fees payable to the research service are due. Carmignac collects funds' research costs in the separate research payment account (RPA), as available monies, within 30 days of their withdrawal from the Fund's accounts. The Fund bears the cost of financial research. It is included in general expenses. (TER) Investors and potential investors may obtain the total budget and the estimated research budget for each fund using the "Research payment account disclosure form" available at www.carmignac.com.

Performance fee

The method used to calculate the performance fee has been established in accordance with ESMA guidelines ("Final report - Guidelines on performance fees in UCITS and certain types of AIFs"; 3 April 2020/ESMA 34-39-968). The fee calculation method, as illustrated by concrete examples, the reference performance period and the clawback mechanism applicable to the abovementioned units are described below.

1. Logic behind the performance fee calculation



	Gross performance	11.80%
-	Fees (management and administration fees)	1.80%
=	**Fund return**	**10.00%**
-	Reference indicator return	5.00%
=	**Excess return**	**5.00%**
-	Performance fee (20% of outperformance)	1.00%
=	**Return for investors**	**9.00%**

	Gross performance	11.80%
-	Fees (management and administration fees)	1.80%
=	**Fund return**	**10.00%**
-	Reference indicator return	15.00%
=	**Excess return**	**-5.00%**
-	Performance fee (20% of outperformance)	0.00%
=	**Return for investors**	**10.00%**

2. Specific example

YEAR	NET PERFORMANCE *	UNDERPERFORMANCE TO BE COMPENSATED IN THE FOLLOWING YEAR	PAYMENT OF PERFORMANCE FEES
Year 1	5%	0%	YES
Year 2	0%	0%	NO
Year 3	-5%	-5%	NO
Year 4	3%	-2%	NO
Year 5	2%	0%	NO
Year 6	5%	0%	YES
Year 7	5%	0%	YES
Year 8	-10%	-10%	NO
Year 9	2%	-8%	NO
Year 10	2%	-6%	NO
Year 11	2%	-4%	NO
Year 12	0%	0%	NO
Year 13	2%	0%	YES
Year 14	-6%	-6%	NO
Year 15	2%	-4%	NO
Year 16	2%	-2%	NO
Year 17	-4%	-6%	NO
Year 18	0%	-4%	NO
Year 19	5%	0%	YES

Excerpt of the ESMA Questions and Answers, Application of the UCITS Directive, ESMA34-43-392
**Net performance of the Fund relative to the reference indicator.*

IV. COMMERCIAL INFORMATION

Subscription or redemption of units:
Subscriptions and redemptions of fund units can be addressed to: BNP PARIBAS S.A.

Unitholders are informed of the changes affecting the Fund following the procedures defined by the Autorité des Marchés Financiers: special information or any other means (financial notices, periodic documents, etc.).

Publication of information about the Fund:
The latest annual and semi-annual reports shall be sent to unitholders within one week upon written request to: CARMIGNAC GESTION, 24, place Vendôme, 75001 PARIS.

Information on the Management Company's consideration of environmental, social and governance (ESG) criteria in its fund range is available on the www.carmignac.com website and appears in the annual reports of funds that take these criteria into account.

Contact: Communications department
Tel: +33 (0)1 42 86 53 35
Fax: +33 (0)1 42 86 52 10

V. INVESTMENT RULES

The Fund is subject to the investment rules and regulatory ratios applicable to French Retail Investment Funds falling under Article L.214-24-24 of the French Monetary and Financial Code, governed by Paragraph 1 of Sub-section 2 of Section 2 of Chapter IV of Title I of the French Monetary and Financial Code.

VI. OVERALL RISK

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

VII. ASSET VALUATION RULES

1. Valuation rules:

a) Methods used for the valuation of balance sheet items and futures and options

Investments in securities
Securities purchased are recorded at their acquisition price excluding fees, and securities sold are recorded at their sale price excluding fees.
Securities, futures and options held in the portfolio denominated in other currencies are converted into the accounting currency on the basis of exchange rates observed in Paris on the valuation day. The portfolio is valued according to the following methods:

French securities
- on the spot market, deferred settlement system: on the basis of the latest price.

French government bonds are valued on the basis of the mid price of a contributor (a primary dealer selected by the French Treasury), supplied by an information server. This price is subject to a reliability check by means of a comparison with the prices of several other primary dealers.

Foreign securities
- listed and registered in Paris: on the basis of the latest price.
- not registered in Paris: on the basis of the latest price available

French and foreign securities whose prices have not been determined on the valuation day are valued at the last officially published price or at their probable sale price under the responsibility of the Management Company. Justification is sent to the statutory auditor at the time of the audit.
Funds
They are valued at the latest redemption price or the latest net asset value available.

Money market instruments and synthetic assets composed of a money market instrument backed by one or more interest rate and/or currency swaps (asset swaps)
For those traded in large volumes and which have a residual maturity greater than three months: at the market price on the basis of information feeds sourced from a financial information vendor (Bloomberg, Reuters, etc.).

For those not traded in large volumes and which have a residual maturity greater than three months: at the market price on the basis of information feeds sourced from a financial information vendor (Bloomberg, Reuters, etc.) for equivalent money market instruments whose price shall be incremented or decreased, where applicable, by a differential representing the issuer's specific characteristics and by applying an actuarial method.
For those with a residual maturity of three months or less: on a straight-line basis.

In the case of a debt security valued at the market price whose residual maturity falls below or is equal to three months, the last rate used shall be frozen until the final repayment date, unless the security's modified duration requires valuation at the market price (see the previous paragraph).

Temporary purchases and sales of securities in accordance with the terms and conditions provided for in the agreement
These transactions are valued according to the conditions provided for in the agreement.
Certain fixed income transactions whose maturity is greater than three months may be valued at the market price.

Futures and options transactions
Forward purchases and sales of currencies are valued in consideration of the amortisation of any positive or negative balance carried forward.

b) Off-balance sheet transactions

Transactions on regulated markets
Futures transactions: these transactions are valued according to the markets on the basis of the settlement price. The commitment is calculated as follows: price of futures contract x nominal value of contract x quantities.

Options transactions: these contracts are valued according to the markets on the basis of the opening price or the settlement price. The commitment is equal to the conversion of the option into the underlying equivalent. It is calculated as follows: delta x quantity x ratio or nominal value of the contract x price of the underlying equivalent.

Transactions on over-the-counter markets
Interest rate transactions: valuation at the market price on the basis of information feeds sourced from a financial information vendor (Bloomberg, Reuters, etc.) and, if necessary, by applying an actuarial method.

Interest rate swap transactions: For those with a residual maturity greater than three months: valuation at the market price on the basis of information feeds sourced from a financial information vendor (Bloomberg, Reuters, etc.) and by applying an actuarial method.

Backed or non-backed transactions:
- fixed rate/variable rate: nominal value of the contract;
- variable rate/fixed rate: nominal value of the contract;
- for those with a residual maturity of three months or less: valuation on a straight-line basis; and
- in the case of an interest rate swap transaction valued at the market price whose residual maturity is less than or equal to 3 months, the last rate used shall be frozen until the final repayment date, except in the case of modified duration requiring valuation at the market price (see the previous paragraph).

The commitment is calculated as follows:
- Backed transactions: nominal value of the contract
- Non-backed transactions: nominal value of the contract

Other transactions on over-the-counter markets:
- Interest rate, foreign exchange or credit transactions: valuation at the market price on the basis of information feeds sourced from a financial information vendor (Bloomberg, Reuters, etc.) and, if necessary, by applying an actuarial method. The commitment is shown as follows: nominal value of the contract.

2. Accounting method
Income is recorded on an accruals basis. Transaction fees are recorded net of expenses.

3. Accounting currency
The Fund’s financial statements are recorded in euro.

Pre-contractual disclosure for the financial products referred to in Article 8(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.

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

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**
☐ It will make a minimum of **sustainable investments with an environmental objective: ___%**	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
☐ It will make a minimum of **sustainable investments with a social objective: ___%**	☐ with a social objective
	☒ It **promotes** E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

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

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).

The fund does not have a reference indicator for sustainability in order to measure the fund's ESG performance.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

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, which includes in-house and external ESG scores, is applied to at least 90% of securities.

   START is a systematised platform that aggregates multiple sources of raw ESG data for use in Carmignac's proprietary rating systems for companies, ESG sovereign debt model, controversy analysis and alignment with the United Nations Sustainable Development Goals. START rates companies from "E" to "A". The table below indicates the relationship between numeric scores and the START rating:

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

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.

Before the investment universe is reduced as described above, the equity and corporate bond universes are reweighted to eliminate any biases that could result in significant differences between the composition of the indices constituting these universes and that of the fund's portfolio. Each issuer is reweighted using the fund's historical weightings by sector, geographical region (emerging markets/developed markets) and capitalisation (small/mid/large), with authorised deviation of +/-5% for each of these characteristics. The weightings used are calculated annually whereas the universe components and the ESG data used to reduce the universe are updated quarterly. The reweighting is carried out using the fund's average historical weightings, observed over a period corresponding to the recommended investment horizon.

3) **Active stewardship:** companies' environmental and social engagement efforts contributing to heightened awareness and 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.

4) **Principal adverse impacts – PAI:** Moreover, as regards monitoring principal adverse impacts, and in accordance with Annex 1 to Commission Delegated Regulation (EU) 2022/1288, the fund monitors 16 mandatory environmental and social indicators, and 2 optional indicators to demonstrate the impact of sustainable investments with respect to these indicators: greenhouse gas (GHG) emissions, carbon footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel sector, share of non-renewable energy consumption and production, energy consumption intensity per high impact climate sector, activities negatively affecting biodiversity-sensitive areas, emissions to water, hazardous waste and radioactive waste ratio, water usage and recycling (optional choice), violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles 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.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

N/A.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

N/A.

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

N/A.

How are the 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 not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

‘The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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

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

✖ **Yes**, the management company is committed to applying the regulatory technical standards (RTS) referred to in Annex 1 to Commission Delegated Regulation (EU) 2022/1288, which define 16 mandatory environmental and social indicators, and two optional indicators to demonstrate the impact of sustainable investments with respect to these indicators: greenhouse gas (GHG) emissions, carbon footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel sector, share of non-renewable energy consumption and production, energy consumption intensity per high impact climate sector, activities negatively affecting biodiversity-sensitive areas, emissions to water, hazardous waste and radioactive waste ratio, water usage and recycling (optional choice), violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles 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 order to mitigate the adverse impacts identified, the management company carries out an in-depth analysis to determine a strategy of engagement with the issuer, or possible divestment, as provided for in Carmignac's engagement policy and policy on principal adverse impacts.

The principal adverse impacts of investment decisions on sustainability factors are set out in the PAI Integration Policy on the management company's website. This information is disclosed in the annual reports.

☐ No

What investment strategy does this financial product follow?

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

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.

The investment universe is assessed in light of the ESG risks and opportunities recorded in Carmignac’s proprietary ESG platform, START. Non-financial analysis is applied as part of the investment strategy through the following processes, which actively reduce the equity investment universe by at least 20%. The full procedure for reducing the investment universe is described in the corresponding transparency codes, which are available in the “Responsible Investment” section at www.carmignac.com.

Reduction of the investment universe:

i. **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.

ii. **Negative screening specific to the fund:**

   a. the fund applies extended exclusions or stricter exclusion criteria to the sectors of oil and gas extraction, conventional arms and gambling.

   b. 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.

Shareholder commitment. The aim of engaging with companies on environmental, social and governance matters is to improve their sustainability policies (in terms of active engagement and voting policies, number of engagements, voting percentage and proportion of objectives fully achieved during shareholder/bondholder meetings).

The portfolio’s climate targets: The fund aims to reduce greenhouse gas emissions (GHG) by 50% in 2030 and 70% in 2040, and to achieve net zero by 2050. To monitor this target, the fund uses an aggregation of the emissions financed by each individual company, calculated using the following formula:
(market value of the investment / value of the company including cash) x (Scope 1 GHG emissions + Scope 2 GHG emissions).

The reference year for the portfolio’s climate targets is 2018. The fund’s chosen methodology may depend on the establishment of adequate regulatory incentives by governments, on consumer behaviour (i.e. favouring the most suitable options), and on technological innovation to deliver affordable and scalable solutions to reduce greenhouse gas emissions.

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

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select investments, and to attain each of the environmental or social characteristics promoted by this financial product, are:
1) ESG analysis is applied to at least 90% of securities.
2) The equity universe is reduced by at least 20%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The committed minimum rate to reduce the equity investment universe is 20%.

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

To assess good governance practices, the fund uses Carmignac's proprietary ESG system ("START"), which collates automated key indicators on governance for over 7,000 companies, including: 1) percentage of independent members of the audit committee, average term of office for members of the board of directors, gender diversity on the board of directors, size of the board of directors, independence of the remuneration committee as regards sound management structures, and 2) director remuneration, sustainability incentives for directors, and the highest remuneration in terms of staff remuneration. Human resources are covered by Carmignac's "S" indicators (in particular staff satisfaction, the gender pay gap and staff turnover) within "START".

As regards tax, the fund recognises the companies in its investment universe that adhere to the OECD Guidelines for Multinational Enterprises on tax matters and encourages transparency where necessary.

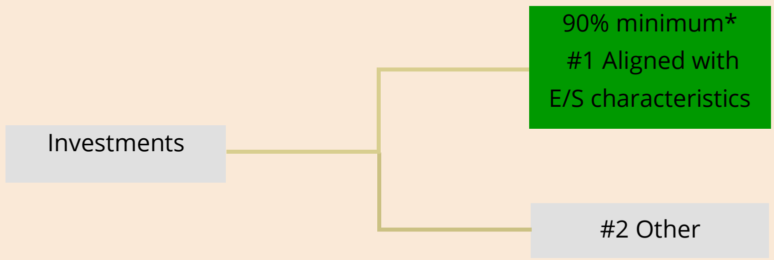
Furthermore, as a signatory to the Principles for Responsible Investment ("PRI"), the management company expects the companies in which the fund invests to:
1) Publish a comprehensive tax policy describing the company's approach to tax responsibility;
2) Report on their tax governance and risk management processes to the competent authorities; and
3) File appropriate returns in each of the countries in which they operate (country-by-country reporting, "CBCR").

   These considerations inform the management company's actions with respect to companies and its votes in favour of greater transparency, for example via support for shareholder resolutions.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

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.



** Coverage rate of ESG analysis*

#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

Minimum share of sustainable investments:
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.

Share of "#2 Other" investments:
In addition to cash and derivatives (which may be used for the purposes of efficient portfolio management and/or hedging and/or exposure, as applicable), this category includes equity investments not classed as favouring the environmental and social characteristics of the fund. Such investments are carried out in strict compliance with the fund's investment strategy and in order to implement its investment strategy. All these investments are subject to ESG analysis and scrutiny of the minimum safeguards in place to guarantee that their business activities comply with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. These instruments are not used to attain the environmental or social characteristics promoted by the fund.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The use of derivatives does not contribute to the attainment of the fund's environmental and/or social characteristics.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

The minimum level of alignment with the Taxonomy, i.e. the minimum share of the fund’s investments deemed to contribute on an ongoing basis to the above environmental objectives, is 0% of net assets. The actual level of alignment with the Taxonomy is calculated and published annually.

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

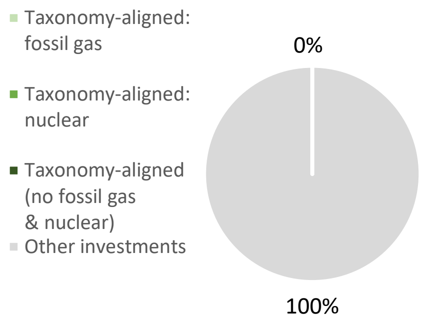
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

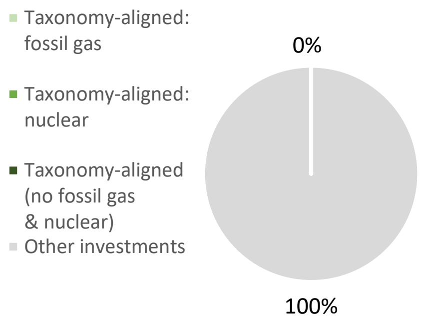
☒ No

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

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100% of the total investments

** For the purpose of these graphs, “sovereign bonds” consist of all sovereign exposures.*

What is the minimum share of investments in transitional and enabling activities?

N/A.

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

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

N/A.

What is the minimum share of socially sustainable investments?

N/A.

What investments are included under "#2 Other", what is their purpose and are any minimum environmental or social safeguards applied to them?

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 listed or unlisted 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 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 applies to all fund assets.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

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

N/A.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  N/A.

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

  N/A.

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

  N/A.

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

  N/A.

Where can I find more product specific information online?

More product-specific information can be found online on the website: www.carmignac.fr, in the "Funds" and "Responsible Investment" sections.

MANAGEMENT REGULATIONS OF THE FCP CARMIGNAC CHINA NEW ECONOMY

TITLE 1: ASSETS AND UNITS

ARTICLE 1 - CO-OWNERSHIP UNITS

The co-owners' rights are represented by units, with each unit corresponding to the same fraction of the Fund's assets. Each unitholder has a right of co-ownership over the assets of the fund commensurate with the number of units owned. The duration of the Fund is 99 years from its creation, except in the cases of early dissolution or extension provided for in these regulations (see article 11).

The characteristics of the various classes of units and their eligibility requirements are described in the Fund's prospectus.

The different classes of units may:

- benefit from different dividend policies (distribution or accumulation);
- be denominated in different currencies;
- be charged different management fees;
- be charged different performance fees.
- be charged different subscription and redemption fees;
- have a different nominal value.
- Be systematically hedged against risk, either partially or completely, as described in the prospectus. This hedge is created using financial instruments that reduce to a minimum the impact of the hedging transactions on the Fund's other unit classes.
- Be reserved for one or more marketing networks.

The units may be merged or divided.

The Board of Directors of the management company may decide that the units shall be sub-divided into tenths, hundredths, thousandths or ten thousandths, with such subdivisions being referred to as fractions of units.

The provisions of the regulations governing the issue and redemption of units shall apply to fractions of units, whose value shall always be proportionate to that of the units they represent. Unless otherwise provided, all other provisions of the regulations relating to units shall apply to fractions of units without any need to make a specific provision to that end.

Lastly, the Board of Directors of the Management Company may decide, at its own discretion, to sub-divide the units by issuing new units, which shall be allocated to unitholders in exchange for their existing units.

ARTICLE 2 - MINIMUM AMOUNT OF ASSETS

Units may not be redeemed if the Fund's assets fall below EUR 300,000; if the assets remain below this amount for a period of 30 days, the Management Company shall make the necessary provisions to liquidate the Fund, or to carry out one of the operations mentioned in article 422-17 of the AMF General Regulation (transfer of the Fund).

ARTICLE 3 - ISSUE AND REDEMPTION OF UNITS

Units are issued at any time following receipt of subscription requests from unitholders, on the basis of their net asset value plus a subscription fee, where applicable.

Subscriptions and redemptions are executed under the conditions and according to the procedures defined in the prospectus. Units of the Fund may be admitted to official stock exchange listing in accordance with the regulations in force. Subscriptions must be fully paid up on the day the net asset value is calculated. They may be made in cash and/or by a contribution in kind in the form of financial instruments. The Management Company is entitled to refuse any securities offered and, for that purpose, must announce its decision within seven days of the date on which the securities were tendered. If they are accepted, the securities tendered are valued according to the rules laid down in article 4, and the subscription is based on the first net asset value following acceptance of the securities concerned.

Redemptions may be in cash. Redemptions may also be made in kind. If a redemption in kind corresponds to a share of the portfolio's assets, then the Management Company need only obtain the signed written agreement of the outgoing unitholder. Where a redemption in kind does not correspond to a share of the portfolio's assets, all unitholders must give their written agreement authorising the outgoing unitholder to redeem their units against certain particular assets, as specifically listed in the agreement.

In general, redeemed assets are valued according to the rules laid down in article 4 and the redemption in kind is based on the first net asset value following acceptance of the relevant securities.

Redemptions are settled by the registrar within a maximum of five days from the valuation day of the units.
However, if in exceptional circumstances the redemption requires the prior sale of assets held in the Fund, this deadline may be extended to a maximum of 30 days.

With the exception of a succession or an inter vivos gift, the sale or transfer of units between unitholders, or unitholders and third parties, is treated as a redemption followed by a subscription; if this involves a third party, the sale or transfer amount must, where applicable, be supplemented by the beneficiary in order to at least reach the minimum subscription amount stipulated by the prospectus.

Pursuant to article L.214-24-41 of the French Monetary and Financial code, the Management Company may temporarily suspend the redemption of units or the issue of new units by the Fund when exceptional circumstances and the interests of the unitholders so require. If the net assets of the Fund have fallen below the minimum threshold set by the regulations, no redemptions can be carried out.

The Management Company may establish a minimum subscription for each unit, according to the procedures set out in the prospectus.

Pursuant to articles L.214-8-7 of the French Monetary and Financial Code and 411-20-1 of the AMF General Regulation, the management company may decide to cap redemptions (“gates”) in exceptional circumstances and if deemed necessary to protect the interests of unitholders. The management company has provided for a cap on redemptions from a threshold of 5% corresponding to the ratio between net redemptions of subscriptions and the fund’s net assets. The implementation of this mechanism is not systematic and the management company reserves the right to meet redemption requests fully or partially above this threshold. The redemption cap mechanism may be applied for a maximum duration of twenty (20) net asset values over three (3) months. Unitholders cannot cancel or rescind any portion of an order not executed on a net asset value date, which will be automatically carried forward to the next net asset value date.

In application of the third paragraph of article L.214-24-41 of the French Monetary and Financial Code, the Fund may stop issuing some or all units temporarily or permanently in objective situations leading to the closure of subscriptions, such as a maximum number of units issued, a maximum amount of assets reached or the expiry of a fixed subscription period. Existing unitholders will be informed of this decision by any means, as well as of the trigger point and the objective situation that led to the partial or complete closure.

In the case of partial closure, this notification will specifically mention the means by which existing unitholders may continue to subscribe during the period of partial closure. The Management Company also informs unitholders by any means of a decision to end the partial or total closure of subscriptions (when they fall below the trigger point again), or not to end it (if the trigger point is changed or there is a development in the objective situation that led to the closure decision).

A change in the objective situation cited or the trigger point must always made in unitholders' best interests. Information stating the exact reasons for these changes may be given by any means.

The Fund manager can restrict or prevent (i) the holding of units by any individual or legal entity not entitled to hold units under the terms of the "Target investors" section of the prospectus (hereinafter, the "Non-Eligible Person") and/or (ii) the registration in the Fund's register of unitholders or the transfer agent's register (the "Registers") of any intermediary who does not come under one of the categories indicated below ("Non-Eligible Intermediary"): active Non-Financial Foreign Entities (active NFFEs), US Persons who are not Specified US Persons and Financial Institutions that are not Non-Participating Financial Institutions*.

The terms followed by an asterisk (*) are defined in the Agreement between the government of the French Republic and the government of the United States of America intended to improve compliance with tax obligations internationally and implement the law concerning respect for tax obligations applicable to foreign accounts signed on 14 November 2013. At the time of writing these Management Regulations, the text of this Agreement is available here:
http://www.economie.gouv.fr/files/usa_accord_fatca_14nov13.pdf

To this end, the Management Company can:

(i) refuse to issue any units if it seems that said issue would or could result in said units being held by a Non-Eligible Person or a Non-Eligible Intermediary being entered in the Registers;

(ii) request that all information which it deems necessary in order to determine whether or not the beneficial owner of the units in question is a Non-Eligible Person be provided at any time from any intermediary whose name appears in the Registers of unitholders, accompanied by a solemn declaration; and

(iii) if it considers that the beneficial owner of the units is a Non-Eligible Person or that a Non-Eligible Intermediary is entered in the Registers of unitholders of the Fund, proceed with the compulsory redemption of all the units held by the Non-Eligible Person or all the units held via the Non-Eligible Intermediary, after a period of 10 working days. The compulsory redemption shall be carried out using the last known net asset value, increased if applicable by the applicable charges, fees and commissions, which shall be borne by the unitholders concerned by the redemption.

The Custodian or the person appointed for this purpose shall ensure that the subscriber is an investor whose subscription has been authorised in advance by the Management Company.

ARTICLE 4 - CALCULATION OF THE NET ASSET VALUE

The net asset value of the units is calculated in accordance with the valuation rules specified in the Fund's prospectus. Contributions in kind may comprise only stocks, securities, or contracts admissible as assets of investment funds; they are valued according to valuation rules governing the calculation of the net asset value.

TITLE 2: MANAGEMENT OF THE FUND

ARTICLE 5 - THE MANAGEMENT COMPANY

The Fund is managed by the Management Company in accordance with the Fund's investment objectives. The Management Company may make any decision to change the AIF's investment policy or strategy in unitholders' interests and in accordance with applicable legal and regulatory requirements. These changes may be subject to AMF approval. The Management Company shall act in all circumstances in the exclusive interests of the unitholders and has the exclusive right to exercise the voting rights attached to the securities held in the Fund.

ARTICLE 5A - OPERATING RULES

The instruments and deposits which are eligible to form part of the Fund's assets as well as the investment rules are described in the prospectus.

ARTICLE 6 – THE CUSTODIAN

The Custodian carries out the duties incumbent upon it under the legal and regulatory provisions in force as well as those to which it has contractually agreed with the Management Company. In particular, it must ensure that decisions taken by the Management Company are lawful. Where applicable, it must take all protective measures that it deems necessary. In the event of a dispute with the Management Company, it shall inform the Autorité des marchés financiers.

ARTICLE 7 - THE STATUTORY AUDITOR

A statutory auditor is appointed by the Board of Directors of the Management Company for a term of six financial years, subject to the approval of the Autorité des marchés financiers. The statutory auditor certifies the accuracy and consistency of the financial statements. The statutory auditor may be re-appointed.

The statutory auditor is obliged to notify the Autorité des marchés financiers promptly if, in the course of its duties, it becomes aware of any fact or decision concerning the Fund which is liable to:

1. constitute a breach of the legal and regulatory provisions governing this undertaking and is likely to have significant consequences for its financial position, income or assets;
2. impair its continued operation or the conditions thereof;
3. lead to the expression of reservations or a refusal to certify the financial statements.

Assets will be valued and exchange ratios will be determined for the purpose of any conversion, merger or split under the statutory auditor's supervision.

The statutory auditor assesses any contribution or redemption in kind under its responsibility, except when an ETF is redeemed in kind on the primary market. The statutory auditor shall check the accuracy of the composition of the assets and other information before any publication.

The statutory auditor's fees are determined by mutual agreement between the auditor and the board of directors of the management company on the basis of an agenda indicating all duties deemed necessary. The statutory auditor certifies positions serving as the basis for the payment of interim dividends.

The statutory auditor's fees are included in the management fees.

ARTICLE 8 - THE FINANCIAL STATEMENTS AND THE MANAGEMENT REPORT

At the end of each financial year, the Management Company prepares the financial statements and a report on the management of the Fund during the last financial year.

The Management Company establishes a list of the Fund's assets at least biannually and under the supervision of the Custodian.
The Management Company shall make these documents available to unitholders within six months of the financial year-end and shall notify them of the amount of income attributable to them: these documents shall be sent by post if expressly requested by the unitholders, or made available to them at the office of the Management Company.

TITLE 3: DISTRIBUTION POLICY

ARTICLE 9 - Allocation of distributable income

Distributable income is made up of:

1. Net income plus retained earnings, plus or minus the balance of the income equalisation account for the last financial year.

2. Realised capital gains, net of expenses, minus realised capital losses, net of expenses, 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 sums mentioned in points 1 and 2 may be distributed in full or in part independently of each other.

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)

The Management Company decides on the allocation of net income.

Units are subject to the pure accumulation policy, i.e. the reinvestment of all distributable income.

TITLE 4: MERGER - SPLIT - DISSOLUTION - LIQUIDATION

ARTICLE 10 - MERGER - SPLIT

The Management Company may either merge all or part of the assets of the Fund with another fund under its management or with a fund managed by another company, or split the Fund into two or more mutual funds under its management.

Such mergers or splits may only be carried out after unitholders have been notified. Such mergers or splits give rise to the issue of a new certificate indicating the number of units held by each unitholder.

ARTICLE 11 - DISSOLUTION - EXTENSION

If the assets of the Fund remain below the amount set in article 2 above for 30 days, the Management Company shall inform the AMF and shall dissolve the Fund, except in the event of a merger with another fund.

The Management Company may dissolve the Fund before term. It shall inform the unitholders of its decision, after which no further subscription or redemption requests shall be accepted.

The Management Company shall also dissolve the Fund if a request is made for the redemption of all of the units, if the Custodian’s appointment is terminated and no other custodian has been appointed, or upon expiry of the Fund’s term, unless such term is extended.

The Management Company shall inform the AMF by post of the dissolution date and procedure. It shall send the statutory auditor’s report to the AMF.

The Management Company may decide to extend the Fund’s term, subject to the agreement of the Custodian. Its decision must be taken at least three months before the expiry of the Fund’s term and must be notified to the unitholders and the AMF.

ARTICLE 12 - LIQUIDATION

In the event of dissolution, the Management Company or designated liquidator shall act as liquidator. Otherwise, the liquidator shall be appointed by the court at the request of any interested party. To this end, they shall be granted the broadest powers to realise assets, pay off any creditors and allocate the available balance among the unitholders in the form of cash or securities.

The statutory auditor and the custodian shall continue to carry out their functions until the end of the liquidation.

TITLE 5: DISPUTES

ARTICLE 13 - JURISDICTION - ADDRESS FOR SERVICE

All disputes relating to the Fund that may arise during the term of the Fund or during its liquidation, either among the unitholders or between the unitholders and the Management Company or the Custodian, shall be submitted to the courts having jurisdiction.

Annex: Pursuant to Article 92 of Directive 2009/65/EC, facilities made available to unitholders in a UCITS managed by Carmignac Gestion.

A) Processing subscription, repurchase and redemption orders and make other payments to unitholders relating to the units of the UCITS, in accordance with the conditions set out in the documents required pursuant to Chapter IX of Directive 2009/65/EC:

Country	Austria	Germany	Belgium	Spain	France	Ireland	Italy*	Luxembourg	Netherlands	Sweden
Facility	Please contact BNP PARIBAS S.A., a credit institution approved by the ACPR, 16, Boulevard des Italiens, 75009 PARIS, France – RCS: 662 042 449 RCS Paris – postal address: 9, rue du Débarcadère, 93500 Pantin, France *In Italy, please contact: Banca Sella Holding S.p.A. (Sella), ALLFUNDS BANK S.A.U. - Succursale di Milano, (AFB), CACEIS Bank Italy Branch, (CACEIS), Monte dei Paschi di Siena S.p.A. (MPS), RBC Investor Services Bank S.A. Milan Branch (RBC), Société Générale Securities Services (SGSS), State Street Bank International Gmbh – Succursale Italia (State Street).									

B) Providing information on how orders referred to in point (a) of article 92 of Directive 2009/65/EC can be made and how repurchase and redemption proceeds are paid:

Country	Austria	Germany	Belgium	Spain	France	Ireland	Italy*	Luxembourg	Netherlands	Sweden
Facility	Please refer to the prospectus of the Fund available on the website of the management company (www.carmignac.com) or please contact the management company of the UCITS: CARMIGNAC GESTION, Société Anonyme, 24 Place Vendôme 75001 Paris, France									

C) facilitating the handling of information and access to procedures and arrangements referred to in Article 15 of Directive 2009/65/EC and relating to the investors' exercise of their rights arising from their investment in the UCITS in the Member State where the UCITS is marketed:

Country	Austria	Germany	Belgium	Spain	France	Ireland	Italy*	Luxembourg	Netherlands	Sweden
Facility	Please refer to Section 6 of the "Regulatory Information" page on the website www.carmignac.com or please contact the management company of the UCITS: CARMIGNAC GESTION, Société Anonyme, 24 Place Vendôme 75001 Paris, France									

D) Making the information and documents required pursuant to Chapter IX available to investors under the conditions laid down in Article 94 of the Directive 2009/65/EC for the purposes of inspection and obtaining copies thereof:

Country	Austria	Germany	Belgium	Spain	France	Ireland	Italy*	Luxembourg	Netherlands	Sweden
Facility	The prospectus, KID and the last annual and semi-annual reports are available on the website of the management company (www.carmignac.com) or from the management company of the UCITS: CARMIGNAC GESTION, Société Anonyme, 24 Place Vendôme 75001 Paris, France									

E) Providing investors with information relevant to the tasks that the facilities perform in a durable medium:

Country	Austria	Germany	Belgium	Spain	France	Ireland	Italy*	Luxembourg	Netherlands	Sweden
Facility	Information is available on the website of the management company (www.carmignac.com) or from the management company of the UCITS: CARMIGNAC GESTION, Société Anonyme, 24 Place Vendôme 75001 Paris, France									

F) Contact point for communicating with the competent authorities:

Country	Austria	Germany	Belgium	Spain	France	Ireland	Italy*	Luxembourg	Netherlands	Sweden
Facility	PricewaterhouseCoopers, Société coopérative, Global Fund Distribution ("PwC GFD"), 2, rue Gerhard Mercator B.P. 1443 L-1014 Luxembourg									