



**PROSPECTUS**  
**CARMIGNAC**  
**PROFIL RÉACTIF 75**

French UCITS

Under European Directive 2009/65/EC

Swiss Edition

# I. GENERAL CHARACTERISTICS

## 1. Structure of the UCITS

French Mutual Fund (FCP)

## 2. Name

CARMIGNAC PROFIL REACTIF 75

## 3. Legal form and Member State in which the UCITS was established

French mutual fund (*Fonds Commun de Placement* – FCP) established in France, governed by European Directive 2009/65/EC.

## 4. Creation date and intended lifetime

The Fund was approved by the AMF on 1 June 1999. It was created on 14 June 1997 for a period of 99 (ninety-nine) years.

## 5. Fund overview

UNIT CLASS	ISIN	ALLOCATION OF DISTRIBUTABLE INCOME	BASE CURRENCY	TARGET INVESTORS	MINIMUM SUBSCRIPTION AMOUNT	MINIMUM SUBSEQUENT SUBSCRIPTION
A EUR Acc	FR0010148999	Accumulation	Euro	All investors	None	None

## 6. Address at which the latest annual and semi-annual reports can be obtained

The latest annual reports and the composition of the assets will be sent to unitholders within eight business days upon written request to:

CARMIGNAC GESTION, 24, place Vendôme, 75001 PARIS

The prospectus is available on the website: [www.carmignac.com](http://www.carmignac.com)

Contact: Marketing and Communications

Tel: +33 (0)1 42 86 53 35

Fax: +33 (0)1 42 86 52 10

The AMF website ([www.amf-France.org](http://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.

## 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 with managing 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 BNP PARIBAS S.A. 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 BNP PARIBAS S.A., and information on conflicts of interest that may result from these delegations, are available on the BNP PARIBAS S.A. website: Services: <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](http://www.carmignac.com). A paper copy of this list is available free of charge, on request, from Carmignac Gestion.

### 3. Statutory auditor

PricewaterhouseCoopers Audit, SA – 63 rue de Villiers – 92208 Neuilly sur Seine  
Authorised signatory: Frédéric Sellam

### 4) Promoter(s)

CARMIGNAC GESTION, société anonyme (public limited company), 24, place Vendôme, 75001 PARIS  
Fund units are admitted for trading by Euroclear. As such, some promoters may not hold mandates from or be known to the management company.

### 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.

### 6) Centralising agent

Carmignac Gestion has delegated the centralisation of subscription and redemption requests to the following establishments:

- a) Centralising agent for subscription and redemption requests as delegated by the management company
  - For administered registered units or bearer units to be registered or already registered with Euroclear France: **BNP PARIBAS S.A.**, registered office: 16, Boulevard des Italiens - 75009 Paris, France; postal address: 9, rue du Débarcadère - 93500 Pantin, France.
  - For registered units in pure registered form or units registered in a Shared Electronic Registration System (DEEP) reserved solely for corporate investors acting on their own behalf and approved in advance by

Carmignac Gestion: **IZNES**, a société par actions simplifiée (simplified joint-stock company), registered with the Paris Commercial Court Registry Office under number 832 488 415, licensed by the Autorité de Contrôle Prudentiel et de Résolution (ACPR), authorised and overseen by the Autorité des marchés financiers (AMF), and whose registered office is at 18 Boulevard Malesherbes (75008).

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; and Carmignac Gestion, 24, place Vendôme, 75001 Paris, France.

Investors are reminded that requests transmitted to intermediaries other than BNP PARIBAS S.A. must take into consideration the fact that the cut-off time for the centralisation of requests applies to said intermediaries with respect to BNP PARIBAS SA. Consequently, such intermediaries may apply their own cut-off time, which may be earlier than the cut-off time indicated above, in order to take into account the time required to transmit requests to BNP PARIBAS S.A.

IZNES: the registered office is 18 Boulevard Malesherbes -75008 Paris, France.

Requests for units to be registered or units registered in pure registered form in the IZNES Shared Electronic Registration System (DEEP) are received at any time by IZNES and centralised with IZNES, on any day on which the net asset value is calculated (D) at 4.30pm (CET/CEST).

### 8. Registrar

- For administered registered units or bearer units to be registered or already registered with Euroclear France: **BNP PARIBAS S.A.**, registered office: 16, Boulevard des Italiens - 75009 Paris, France; postal address: 9, rue du Débarcadère - 93500 Pantin, France.
- For registered units in pure registered form or units registered in a Shared Electronic Registration System (DEEP) reserved solely for corporate investors acting on their own behalf and approved in advance by Carmignac Gestion: **IZNES**, a société par actions simplifiée (simplified joint-stock company), registered with the Paris Commercial Court Registry Office under number 832 488 415, licensed by the Autorité de Contrôle Prudentiel et de Résolution (ACPR), authorised and overseen by the Autorité des marchés financiers (AMF), and whose registered office is at 18 Boulevard Malesherbes (75008).

## III. OPERATING AND MANAGEMENT PROCEDURES

### GENERAL CHARACTERISTICS

- Characteristics of the units:

ISIN: A EUR Acc units: FR0010148999

- 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:

As part of the management of the Fund's liabilities, subscription and redemption orders are centralised by BNP PARIBAS S.A. for units to be registered or units registered in EUROCLEAR and by IZNES for units to be registered or

held in pure registered form in the Shared Electronic Registration System (French initials DEEP), with BNP PARIBAS S.A. acting as issuance account keeper.

These tasks are delegated by the management company.

- **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. Unitholders may subscribe and redeem thousandths of units.

- **Form of units:**

Units are issued in bearer, administered registered or pure registered form, the latter only for units that will be registered on the IZNES shared electronic registration system (DEEP) for subscribers who have access to this system.

- **Fractions of units (if any):**

Unitholders may subscribe and redeem thousandths of units.

- **Year-end:**

The accounting year ends on the date of the last net asset value of the month of December.

- **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, funds 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. Investors having access to the fund through a life insurance policy will be taxed at the

rates applicable to life insurance policies.

## SPECIFIC PROVISIONS

### 1. INVESTMENT OBJECTIVE

The fund aims to generate a positive annual return while keeping annual volatility below that of its reference indicator. The fund is managed on a discretionary basis by the portfolio manager, who pursues an active asset allocation policy, mainly involving funds invested in international equities and bonds.

### 2. REFERENCE INDICATOR

The fund's reference indicator is the following composite index: 50% of the MSCI AC WORLD NR USD converted into euro (Bloomberg code: NDUEACWF) + 50% of the ICE BofA Global Broad Market Index EUR hdg (Bloomberg code: GBMI). It is rebalanced each quarter.

The MSCI AC WORLD NR (USD) index represents the largest international companies in developed and emerging countries. It is calculated by MSCI in dollars and with dividends reinvested, then converted into euro (Bloomberg code: NDUEACWF).

The ICE BOFA Global Broad Market Index (EUR) reflects the performance of investment grade bonds, including sovereign, quasi-sovereign and corporate bonds, and structured securities, issued on the main domestic markets and on the Eurobond market (Bloomberg code: GBMI)

MSCI and ICE Data Indices, which publish the indices that make up the reference indicator used to calculate the fund's outperformance, have 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. For more information on the MSCI AC WORLD NR (USD) index, please refer to the publisher's website: <https://www.msci.com>, and for more information on the ICE BofA Global Government index, please refer to the publisher's website: <https://indices.theice.com/>.

The management company may replace the reference indicator if one or more of the indices that make up this reference indicator undergo substantial modifications or cease to be published.

This fund is an actively managed UCITS. An actively managed UCITS is one where the investment manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy. The fund's investment universe is totally independent of the reference indicator, the individual constituents of which are not necessarily representative of the assets invested in by the fund. The fund's investment strategy is not dependent on the indicator. Therefore, the Fund's holdings and the weightings may substantially deviate from the composition of the indicator. There is no limit set on the level of such deviation.

### 3. INVESTMENT STRATEGY

#### *a) Strategies used*

The Fund is invested primarily in funds managed by CARMIGNAC. However, the fund may invest in external funds if the desired allocation cannot be achieved exclusively through investment in funds managed by Carmignac. The portfolio manager will favour fund units authorised for sale in France.

Investment in units or shares of investment funds and the allocation between the different asset classes shall depend on market conditions and portfolio diversification opportunities, and shall be determined on a discretionary basis by the management company, which will use a quantitative tool to strike the right balance between the risk attached to each investment and the expected return. Subject to the regulatory investment limits, investments in funds shall account for between 50% and 100% of the net assets.

As the fund is managed on an active, flexible basis, its asset allocation may differ substantially from that of its reference indicator. As such, the portfolio manager dynamically manages exposure to the different markets and eligible asset classes, based on expectations of changes in risk/return ratios. The investment policy takes into account the principle of risk spreading by means of the diversification of investments.

In addition to these long positions on the funds described above:

- the portfolio manager may open long positions on underlying assets eligible for the portfolio.
- The portfolio manager may also open short positions on underlying assets eligible for the portfolio if he or she feels that the market is overvaluing these underlying assets.
- the portfolio manager also pursues relative value strategies by combining long and short positions on underlying assets eligible for the portfolio.
- eligible underlying assets are those described in the paragraph “Description of asset categories and financial contracts as well as their contribution to the investment objective being achieved”.

The investment universe for all strategies includes emerging markets within the limits stipulated in the section “Description of asset categories and financial contracts as well as their contribution to the investment objective being achieved”.

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

#### ***Equities***

Up to 75% of the net assets of the fund are exposed to equity funds or equities and other securities giving or capable of giving, directly or indirectly, access to capital or to voting rights, and traded on Eurozone and/or international markets, including a potentially significant portion in emerging countries (up to 100% of the equity portfolio).

The net assets of the fund may be invested in small, mid and large caps.

#### ***Debt securities and money market instruments***

Primarily through the use of investment funds and in order to allow the portfolio manager to diversify the portfolio, the fund may invest up to 100% of its net assets in (short- and medium-term) transferable debt securities, money market instruments, and fixed or floating rate government or corporate bonds, which may be linked to inflation in the Eurozone and/or international markets. Up to 100% of the portfolio of debt securities and money market instruments may be invested in emerging markets.

As the fund is managed on a discretionary basis, no asset allocation constraints shall apply.

The portfolio manager reserves the right to invest directly or indirectly in debt securities and instruments that are rated below investment grade or are unrated. In the latter case, the company carries out its own analysis and assessment of creditworthiness.

The weighted average rating of the bonds held directly by the Fund or through investment in funds shall be at least investment grade according to at least one of the major rating agencies.

In the case of direct investments in securities, the management company will carry out its own analysis of the risk/reward profile (profitability, creditworthiness, liquidity, maturity). As a result, the decision to buy, hold or sell a security (particularly where the agency 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.

There are no restrictions in terms of duration, modified duration or allocation between private and public issuers.

#### ***Derivatives***

The fund may invest in financial futures traded on Eurozone and international regulated, organised or over-the-counter markets, for the purpose of managing exposure, hedging or pursuing relative value strategies.

The derivative instruments liable to be used by the portfolio manager include options (vanilla, barrier, binary), futures, forwards, forward exchange contracts, swaps (including performance swaps) and CFDs (contracts for difference), involving one or more risks and/or underlying instruments (actual securities, indices, baskets) in which the portfolio manager may invest.

These derivatives allow the portfolio manager to expose the Fund to the following risks, while respecting the portfolio's overall constraints:

- currencies,
- fixed income
- equities (all caps),
- dividends,
- volatility and variance (up to 10% of the net assets)
- commodities (exposure through eligible financial contracts for up to 20% of the net assets)
- ETF (financial instruments)

*Strategy for using derivatives to achieve the investment objective:*

Derivatives of equities, equity indices and baskets of equities or equity indices are used to gain long or short exposure, or hedge exposure, to an issuer, group of issuers, economic sector, country or region, or simply adjust the fund's overall exposure to equity markets.

They are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on equity markets, depending on the country, region, economic sector, issuer or group of issuers.

Currency derivatives are used to gain long or short exposure, hedge exposure to a currency, or simply adjust the fund's overall exposure to currency risk. They may also be used to pursue relative value strategies, where the fund takes simultaneous long and short positions on foreign exchange markets.

Interest rate derivatives are used to gain long or short exposure, hedge interest rates, or simply adjust the portfolio's modified duration. Interest rate derivatives are also used to pursue relative value strategies, where the Fund takes simultaneous long and short positions on different fixed income markets, depending on the country, region or yield curve segment.

Volatility or variance derivatives are used to gain long or short exposure to market volatility, to hedge equity exposure or to adjust the portfolio's exposure to market volatility or variance. They are also used to pursue relative value strategies, where the fund takes simultaneous long and short positions on market volatility.

Dividend derivatives are used to gain long or short exposure to the dividend of an issuer or group of issuers, or to hedge the dividend risk on an issuer or group of issuers. Dividend risk is the risk that the dividend of a share or equity index is not paid as anticipated by the market. They are also used to pursue relative value strategies, where the Fund takes simultaneous long and short positions on equity market dividends.

Overall exposure to derivatives is controlled by combining leverage, calculated as the sum of gross nominal amounts of derivatives without netting or hedging, with the fund's VaR limit (cf. section VI. "Overall risk").

Derivative transactions may be concluded with counterparties selected by the management company in accordance with its "Best Execution/Best Selection" policy and the approval procedure for new counterparties. These counterparties are credit institutions or investment companies established in a European Union member state, having a minimum credit rating of BBB- (or equivalent) from at least one of the main credit rating agencies. Derivatives are subject to guarantees; the section entitled "Contracts as Collateral" contains information on how these work and on their characteristics. It should be noted that these counterparties have no discretionary decision-making powers over the composition or management of the fund's portfolio or over the underlying assets of financial derivative instruments.

*Securities with embedded derivatives*

The portfolio manager may invest in securities with embedded derivatives (including, on an ancillary basis, convertible bonds, puttable/callable bonds, credit-linked notes (CLN), EMTN and subscription certificates resulting



from corporate actions involving the award of this type of security) traded on regulated or over-the-counter Eurozone and/or international markets.

These securities with embedded derivatives allow the portfolio manager to expose the Fund to the following risks and instruments, while respecting the portfolio's overall constraints:

- currencies
- fixed income
- equities
- dividends
- volatility and variance (up to 10% of the net assets)
- commodities (exposure through eligible financial contracts for up to 20% of the net assets)
- ETF (financial instruments)

*Strategy for using securities with embedded derivatives to achieve the investment objective:*

The portfolio manager may use securities with embedded derivatives, as opposed to the other derivatives mentioned above, to optimise the portfolio's exposure or hedging by reducing the cost of using these financial instruments or gaining exposure to several performance drivers.

The risk associated with this type of investment is limited to the amount invested in its purchase. In all cases, the amounts invested in securities with embedded derivatives, excluding callable/puttable bonds, may not exceed 10% of the net assets.

The Fund may also invest up to 100% of its net assets in callable bonds and puttable bonds. These transferable debt securities have an optional component allowing for early redemption subject to certain conditions (holding period, occurrence of a specific event, etc.) on the initiative of the issuer (in the case of callable bonds) or at the request of the investor (in the case of puttable bonds).

**UCIs and investment funds**

The fund invests:

- up to 100% of the net assets in units or shares of French or foreign UCITS that invest no more than 10% of their net assets in units or shares of other foreign investment funds, AIFs or UCITS.
- up to 30% of the net assets in units or shares of French or European AIFs or foreign investment funds that meet the criteria of article R214-13 of the French Monetary and Financial Code.

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.

Cash lending is prohibited.

**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.

**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 agreements
- 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 does 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. Additional information on fees linked to such trades appears under the heading "Fees and expenses".

#### 4. 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 eligible government bonds 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 custodian 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, they 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. The management company agrees this contractually with each counterparty.

#### 5. RISK PROFILE

The fund shall invest in funds and financial instruments selected by the management company. The performance of these funds and financial instruments depends on the evolution and fluctuations of the markets.

The risk profile of the Fund is suitable for an investment horizon of over 5 years.

Like any financial investment, potential investors should be aware that the value of the fund's assets is subject to the fluctuations of the international equity and bond markets and that it may vary substantially. Unitholders receive no guarantee that they will get back the invested capital.

The risk factors described below are not exhaustive. It is up to each investor to analyse the risk associated with such an investment and to form his/her own opinion independent of Carmignac Gestion, where necessary seeking the opinion of any advisers specialised in such matters in order to ensure that this investment is appropriate in relation to his/her financial situation.

- a) **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.
- b) **Risk of capital loss:** the fund 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.
- c) **Risk associated with discretionary management:** the management style is based on a discretionary approach to selecting assets according to expectations of how different markets will perform (equities, bonds). There is therefore a risk that the fund might not be invested in the best-performing markets at all times.
- d) **Interest rate risk:** Interest rate risk is the risk that the net asset value may fall in the event of a change 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.
- e) **Emerging market risk:** The operating and supervision conditions of these markets may deviate from the standards prevailing on the major international markets, and price variations may be high.
- f) **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.
- g) **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. The fluctuations of currencies in relation to the euro may have a positive or negative influence on the net asset value of the Fund. For units denominated in a currency other than the euro, the currency risk linked to fluctuations in the euro versus the valuation currency is residual thanks to systematic hedging. This hedging may generate a performance differential between units in different currencies.
- h) **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.
- i) **Risk associated with commodities indices:** changes in commodity prices and the volatility of the sector may cause the net asset value to fall. The fund may be exposed to this risk through derivatives with eligible commodity indices as their underlying.
- j) **Volatility risk:** the increase or decrease in volatility may lead to a fall in net asset value. The Fund is exposed to this risk, particularly through derivative products with volatility or variance as the underlying instrument.
- k) **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.
- l) **Risks 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.

- m) **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.
- n) **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.
- o) **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.

✓ Incorporation of sustainability risk into investment decisions

The Fund's investments are exposed to sustainability risks, representing a real or potential threat to maximising long-term risk-adjusted rewards. The management company has therefore incorporated the identification and assessment of sustainability risks into its investment decisions and risk management processes, through a three-step procedure:

1) **Exclusion:** Investments in companies that the management company believes do not meet the Fund's sustainability standards are excluded. The management company has established an exclusion policy that, amongst other things, provides for company exclusions and tolerance thresholds for business in fields such as controversial weapons, tobacco, adult entertainment, thermal coal production and electricity generation. For more information, please consult the exclusion policy in the "Responsible Investment" section of the management company's website: <https://www.carmignac.com>.

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

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

✓ Potential impact of sustainability risk on the fund's returns

Sustainability risks can have adverse effects on sustainability in terms of a significant real or potential negative impact on the value of investments and net asset value of the fund, and ultimately on investors' return on investment.

There are several ways in which the management company may monitor and assess the financial significance of sustainability risks on a company's financial returns:

- **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 underlying investments of this financial product do not consider the European Union's criteria regarding environmentally sustainable economic activities.

## 6. 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. The amount that is appropriate to invest in this fund depends on your personal situation. To determine their level of investment, investors are invited to seek professional advice in order to diversify their investments and to determine the proportion of their financial portfolio or their assets to be invested in this fund relative to, more specifically, the recommended investment period and exposure to the aforementioned risks, their personal assets, needs and own objectives.

The recommended minimum investment period is five years.

## 7. ALLOCATION OF DISTRIBUTABLE INCOME

DISTRIBUTABLE INCOME	ACC UNITS
Allocation of net income	Accumulation (dividends are recorded on a cash basis)
Allocation of net realised capital gains or losses	Accumulation (dividends are recorded on a cash 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.

## 10. SUBSCRIPTION AND REDEMPTION PROCEDURES

Subscription and redemption requests are received and centralised each trading day

(D) before 4.30pm (except on French public holidays),

- by BNP PARIBAS S.A. for bearer units to be registered or units registered with Euroclear and

- IZNES for units to be registered or units to be registered or units registered as pure registered units in the IZNES Shared Electronic Registration System (DEEP)

and are processed on the basis of the next NAV. Settlements are made on the third trading day following the centralisation date.

Orders are executed on the basis of the table below:

BUSINESS DAY D	BUSINESS DAY D	BUSINESS DAY D, NAV DATE	D+1	D+3	D+3
Centralisation of subscription requests before 4.30pm*	Centralisation of redemption requests before 4.30pm*	Order execution by D at the latest	NAV publication	Settlement of subscriptions	Settlement of redemptions

\* Unless another deadline is agreed with your financial institution.

### ***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 public holidays in France. The list of these holidays can be obtained from the centralising agent on request.

### ***Terms and conditions of subscriptions and redemptions***

In some countries, the subscription of shares may be carried out according to the specific procedures authorised by the regulatory authority of the country in question.

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 4.30pm (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](http://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 means of publication of the net asset value***

CARMIGNAC GESTION, address: 24, place Vendôme 75001 Paris

The net asset value announced at 3pm each day shall be used for the calculation of the subscriptions and redemptions received before 4.30pm on the previous day.

The net asset value is shown at Carmignac Gestion and published on the Carmignac Gestion website: [www.carmignac.com](http://www.carmignac.com)

**11. FEES AND EXPENSES**

***a) 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 FCP serve to offset the costs incurred by the FCP to invest and disinvest investors' monies. Fees not paid to the FCP 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 payable to third parties, inclusive of tax	net asset value X number of units	4%
Subscription fee payable to the Fund	net asset value X number of units	None
Redemption fee payable to third parties	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**

1	Financial management fees, inclusive of tax (including all charges (other than transactions costs), performance fees and fees related to investments in UCIs or investment funds) (maximum rate)	Net assets	1.50%
2	Administration fees external to the management company (auditors, custodian, distributors, lawyers) Maximum inclusive of tax	Net assets	None
3	Maximum indirect fees (fees and management costs)	Net assets	2%
4	Transaction fees charged by the management company	Per transaction	None
5.	Performance fee	Net assets	Maximum 20% of this outperformance when it is established (1)

*Financial management fees include any retrocessions paid to external companies or entities of the group to which they belong, mainly the delegates of financial management or the distribution intermediaries of the UCITS. These retrocessions are generally calculated as a percentage of the financial management and administrative costs 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.*

(1) *The performance fees are based on a comparison between the performance of each of the fund's units (except for unhedged units) and its reference indicator over the financial year. Regarding unhedged units, performance fees are calculated on the basis of the unit's performance compared with that of the reference indicator converted into the currency of the unit.*

*If the performance since the beginning of the financial year exceeds the performance of the reference indicator and if no past underperformance still needs to be offset, a daily provision of up to 20% of this outperformance is established. In the event of underperformance in relation to this index, a daily amount corresponding to a maximum of 20% of this underperformance is deducted from the provision established since the beginning of the year. For the A and E units, the applicable rate for the performance fee is 20%. 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 unit outperformed the reference indicator but posted a negative performance.** If the fund is eligible for the booking of a performance fee, then:*

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

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

*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.

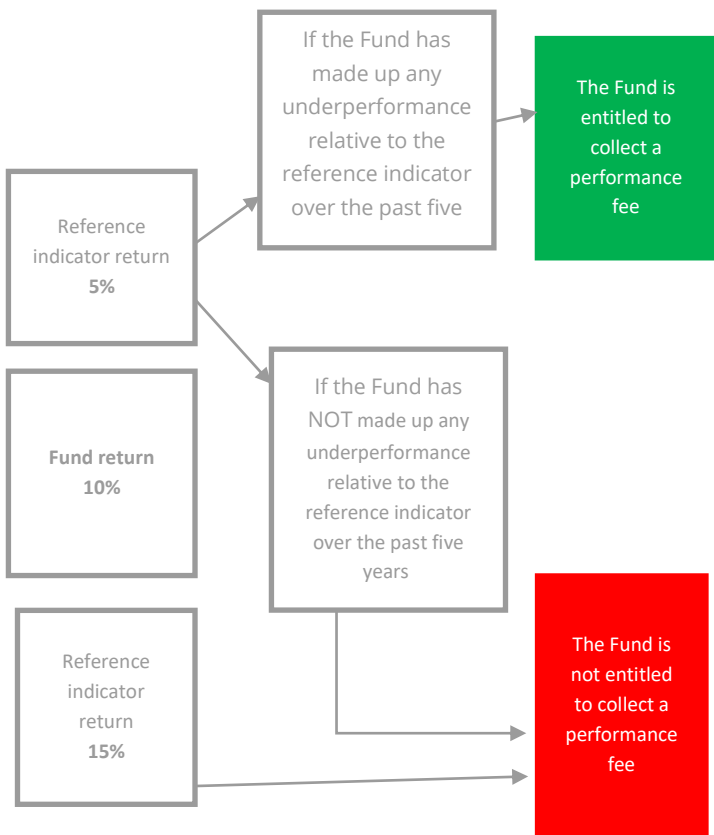
The criteria applied are both quantitative and qualitative and depend on the markets for which the intermediaries provide services, in terms of both geographical area and instruments.

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

#### ***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%
<b>= Fund return</b>	<b>10.00%</b>
- Reference indicator return	5.00%
<b>= Excess return</b>	<b>5.00%</b>
- Performance fee (20% of outperformance)	1.00%
<b>= Return for investors</b>	<b>9.00%</b>

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

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

Publication of information about the Fund:

The latest annual reports and the composition of the assets will be sent to unitholders within eight business days upon written request to: CARMIGNAC GESTION, 24, place Vendôme, 75001 PARIS

The prospectus and information regarding the facilities carrying out the tasks identified in Article 92 of Directive 2009/65/EC are available on the website: [www.carmignac.com](http://www.carmignac.com)

Centralisation of fund unit subscriptions and redemptions is delegated by the management company to BNP Paribas S.A. for units to be registered or units registered in bearer or administered registered form in Euroclear and to IZNES for units to be registered or units registered as pure registered units in the shared electronic registration system (DEEP).

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](http://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

The prospectus and KID (Key Information Document) are available at [www.carmignac.com](http://www.carmignac.com).

## V. INVESTMENT RULES

The fund shall respect the regulatory limits applicable to standard French UCITS under European Directive 2009/65/EC as laid down by the French Monetary and Financial Code, as well as the limits referred to in this prospectus.

## VI. OVERALL RISK

The method used to determine the Fund's overall risk is the relative Value-at-Risk (VaR) method, using a benchmark portfolio as a comparison (the Fund's reference indicator is its benchmark portfolio) over a two-year historical horizon, with a 99% confidence threshold over 20 days. The envisaged leverage, calculated as the sum of nominal amounts without netting or hedging, is 200% but may be higher under certain conditions.

Higher leverage: this will generally result from specific market conditions (high/low volatility, low interest rates, central bank intervention) or an increase in the number of positions, which may nonetheless offset portfolio risks, or from the use of options that are well out of the money.

For example, new positions opened to counterbalance existing positions may increase the gross nominal value of outstanding contracts, creating high leverage that bears little correlation to the portfolio's current risk. In each case, they are used in accordance with the portfolio's investment objective and risk profile.

## 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 for those in Europe.
  - on the basis of the latest price available for the other securities.

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.

*The Funds are valued at the latest redemption price or the latest net asset value available*

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 transferable debt securities 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: valued on a straight-line basis.
- 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 a cash basis.

Transaction fees are recorded net of expenses.

## **3. Accounting currency**

The fund's financial statements are recorded in euro.

# **VIII. REMUNERATION**

The management company's remuneration policy promotes risk management without excessive risk taking. These practices comply with the objectives and interests of the Fund managers, funds managed, and fund investors in order to avoid conflicts of interest.

The remuneration policy has been designed and implemented to promote the continuing success and stability of the management company, while allowing it to attract, develop and retain motivated, high-performing staff. The remuneration policy establishes a structured remuneration system with a sufficiently high fixed component and a bonus system that rewards risk takers for creating long-term value. A significant percentage of risk-takers' variable remuneration is deferred for three years. The deferred portion is linked to the performance of funds representative of the investment strategies implemented by the company, ensuring that the long-term interests of investors in the Funds managed are taken into account. Bonuses are only ultimately paid out if this is congruent with the management company's financial position.

The remuneration policy was approved by the Board of Directors of the management company. The provisions of the remuneration policy are re-evaluated on a regular basis by the Remuneration and Appointments Committee and are adjusted to fit the changing regulatory framework. Details of the remuneration policy, including a description of how the remuneration and benefits are calculated, as well as information on the remuneration and nominations committee, can be found at [www.carmignac.com](http://www.carmignac.com). A printout of the policy is available free of charge upon request.

## **IX. MAIN NEGATIVE INFLUENCES ON SUSTAINABILITY FACTORS**

The management company does not take into account the negative impact of investment decisions on sustainability factors, in accordance with Article 4(1)(b) of the SFDR, as implementation of this regulatory framework remains incomplete. The management company is aware of the criteria detailed in Annex 1 of the draft regulatory technical standards (RTS), the European Level 2 SFDR regulation that accompanies the Level 1 SFDR provisions, published on 2 February 2021. The management company is monitoring changes in regulations, and evaluating its position continuously. The management company will reconsider its decision by the time the European level 2 regulation enters into force.

# MANAGEMENT REGULATIONS OF THE FCP CARMIGNAC PROFIL RÉACTIF 75

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## 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 co-ownership right in and to the assets of the Fund proportional to the number of units they hold.

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 FCP'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 subscription and redemption fees;
- have a different nominal value.

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 FCP'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 in question, 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 an 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 and/or 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.

By derogation from the above, if the fund is an ETF, redemptions on the primary market may, with the portfolio management company's agreement and in unitholders' best interests, be in kind under the terms set out in the fund's regulations or prospectus. The assets are then delivered by the registrar under the terms set out in the fund prospectus.

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.214-8-7 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 FCP when exceptional circumstances and the interests of the unitholders so require.

If the net assets of the FCP have fallen below the minimum threshold set by the regulations, no redemptions may be carried out.

A minimum subscription may be applied 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.214-8-7 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 be 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 portfolio manager may also restrict or prevent the holding of units by any investor (i) who is, or is suspected – on the basis of objective criteria – of being directly or indirectly in breach of the laws and regulations of any country or any government authority, or (ii) who, in the FCP management company's opinion, may inflict such damage on the FCP or management company that would not otherwise have been inflicted or borne.

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](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.

#### **ARTICLE 4 - CALCULATION OF THE NET ASSET VALUE**

The net asset value is calculated in accordance with the valuation rules specified in the prospectus.

Contributions in kind may comprise only stocks, securities or contracts admissible as assets of UCITS; contributions and redemptions in kind 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 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 portfolio 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 statutory 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 FCP's assets at least biannually and under the supervision of the custodian.

The management company shall make these documents available to unitholders within four 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 offices of the management company.

### TITLE 3: ALLOCATION OF DISTRIBUTABLE INCOME

#### ARTICLE 9 - ALLOCATION OF DISTRIBUTABLE INCOME

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

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	ACC UNITS	DIS UNITS
Allocation of net income	Accumulation (dividends are recorded on a cash basis)	Distributed or carried forward as decided by the management company
Allocation of net realised capital gains or losses	Accumulation (dividends are recorded on a cash basis)	Distributed or carried forward as decided by the management company

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

Payment of distributable income payable quarterly is made within one month of the end of each calendar quarter.

## 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 UCITS under its management or with a UCITS 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 thirty 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 Fund's extension may be decided by the management company 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 ( <a href="http://www.carmignac.com">www.carmignac.com</a> ) 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 <a href="http://www.carmignac.com">www.carmignac.com</a> 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 ( <a href="http://www.carmignac.com">www.carmignac.com</a> ) 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 ( <a href="http://www.carmignac.com">www.carmignac.com</a> ) 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									

## IMPORTANT INFORMATION FOR INVESTORS IN SWITZERLAND

### 1. Representative

The representative in Switzerland is CACEIS (Switzerland) SA, Route de Signy 35, CH-1260 Nyon.

### 2. Paying agent

The Swiss Paying Agent is CACEIS Bank, Montrouge, succursale de Nyon / Suisse, Route de Signy 35, CH-1260 Nyon.

### 3. Location where the relevant documents may be obtained

The prospectus, the Key Information Document, Management Regulations, as well as the annual and semi-annual reports may be obtained free of charge from the representative in Switzerland.

### 4. Publications

1. Publications concerning the foreign collective investment scheme are made in Switzerland in fundinfo AG ([www.fundinfo.com](http://www.fundinfo.com)).

2. The issue and redemption prices and / or the book value, with a mention reading "excluding commissions", of all share classes are published on fundinfo AG ([www.fundinfo.com](http://www.fundinfo.com)) whenever shares are issued or redeemed. Prices are published every day.

### 5. Payment of retrocessions and rebates

1. The Management Company and its agents may pay retrocessions as remuneration for distribution activity in respect of fund units in Switzerland. This remuneration may be deemed payment for the following services in particular:

- B2B events for Investment professionals to update on our investment strategy and corporate news,
- Due Diligence for fund selectors with special reporting's,
- Insight portfolio analysis, detailed risk analysis,
- Detailed risk analysis,
- Information platforms (e.g. ifundservices) to distribute our documentation and video for our funds,
- Roadshows,
- Reports,
- Events,
- IT client tools.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The recipients of the retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for distribution.

Disclosure of the receipt of retrocessions is based on the applicable provisions of FinSA.

2. In respect of distribution in or from Switzerland, the Management Company and its agents do not pay any rebates to reduce the fees or costs incurred by the investor and charged to the fund.

### 6. Place of performance and jurisdiction

In respect of the units offered in Switzerland, the place of performance is the registered office of the representative. The place of jurisdiction is at the registered office of the representative or at the registered office or place of residence of the investor.