



## A deeper insight into our sustainable approach



Author(s)  
Lloyd McAllister

Published  
May 30, 2023

Length  
3

*We are pleased to present our 2022 Stewardship Report introduced by a foreword from our Chairman and CIO, Edouard Carmignac, which you can read below.*

2022 was a challenging year for the world economy and the financial markets. It was marked by Russia's war, increased geopolitical tension between the East and West, alongside Europe's energy crisis and inflation. In this context, the consideration of Environmental, Social and Governance (ESG) factors and sustainable investing was inevitably put to the test, notably through increased scrutiny of definitions and a politicisation of the debate, particularly in the US.

Despite this backdrop, we remain convinced that our commitment to sustainability considerations is fundamental for the appropriate management of investment risks and opportunities. It is also aligned with our commitment to creating positive outcomes for the environment and society, in our investors' interests. Indeed, 2022 showed the importance of taking a sophisticated approach to ESG analysis of portfolio companies. This includes considering employee satisfaction given the need to retaining talent during an inflationary period, climate change and energy security in the context of a war and social supply chain risks during a period of geopolitical tension between the US and China.

While the above context hindered some sustainable development outcomes, such as the increased use of coal power in Europe, this also encouraged the development of sustainability-aligned, government-led policies designed to incentivise the integration of ESG in companies' business strategies. For example, US President, Joe Biden's Inflation Reduction Act sent a strong signal of the US ambition for leadership in green technology. In addition, tools to finance sustainable growth have been further developed, such as the progress made by the European Union on the development of a European Green Bond Standard (EU GBS) during the year.

Asset managers have worked to navigate the evolutions linked to the EU's Sustainable Finance Disclosure Requirements (SFDR), which categorises funds on their degree of usage of ESG information ("Article 6, 8 and 9" funds), under the scrutiny of national regulators. This year again, more than 90% of Carmignac's eligible assets under management are composed of Article 8 and 9 funds, respectively promoting environmental and social characteristics or targeting sustainable investments.

**As we explain in this report, in 2022 we continued to reinforce our approach to sustainable investing and stewardship.**

With our investors in mind, taking into account their growing interest for ESG and sustainable investment, we promoted our most

with our investors in mind, taking into account their growing interest for ESG and sustainable investment, we promoted our most recently launched 'Social' fund which completed our thematic range.

Transparency standards are at the very core of our approach. We built an ESG Outcome calculator, an educational tool to help our clients get a clearer view of the impact of their investments on the environment and society. We also published our first report aligned with the Taskforce on Climate-related Financial Disclosures (TCFD).

Our actions in the interests of our investors do not stop at the investment decision level. We are also active owners of the companies we invest in, an essential part of our fiduciary responsibility.

**In 2022, we undertook 81 company engagements and actively exercised our voting rights by opposing the management of our investee companies at least once at 55% of the shareholder meetings we voted at.**

We established our first Carmignac Voting Guidelines and published our ESG Expectations guide to help our investee companies, as well as our investors, understand our expectations on Carmignac's three ESG themes of focus: Climate, Empowerment and Leadership.

We now look forward to reinforcing our approach to sustainable investing in 2023 and beyond under the leadership of Lloyd McAllister, our new Head of Sustainable Investment.

It is the second year that we have published our Stewardship Report. I encourage you to read it to see what we have achieved in 2022 as a testimony of our strong conviction in sustainable investing.

2022 Stewardship Report

# Our mission is to create value for our clients and positive outcomes for society and the environment

[Download the report](#)



**Marketing communication. Please refer to the KID/KIID, prospectus of the fund before making any final investment decisions. This document is intended for professional clients.**

This material may not be reproduced, in whole or in part, without prior authorisation from the Management Company. This material does not constitute a subscription offer, nor does it constitute investment advice. This material is not intended to provide, and should not be relied on for, accounting, legal or tax advice. This material has been provided to you for informational purposes only and may not be relied upon by you in evaluating the merits of investing in any securities or interests referred to herein or for any other purposes. The information contained in this material may be partial information and may be modified without prior notice. They are expressed as of the date of writing and are derived from proprietary and non-proprietary sources deemed by Carmignac to be reliable, are not necessarily all-inclusive and are not guaranteed as to accuracy. As such, no warranty of accuracy or reliability is given and no responsibility arising in any other way for errors and omissions (including responsibility to any person by reason of negligence) is accepted by Carmignac, its officers, employees or agents.

Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding possible entrance fees charged by the distributor). The return may increase or decrease as a result of currency fluctuations, for the shares which are not currency-hedged.

Reference to certain securities and financial instruments is for illustrative purposes to highlight stocks that are or have been included in the portfolios of funds in the Carmignac range. This is not intended to promote direct investment in those instruments, nor does it constitute investment advice. The Management Company is not subject to prohibition on trading in these instruments prior to issuing any communication. The portfolios of Carmignac funds may change without previous notice. The reference to a ranking or prize, is no guarantee of the future results of the UCIS or the manager.

Morningstar Rating™ : © Morningstar, Inc. All Rights Reserved. The information contained herein: is proprietary to Morningstar and/or its content providers; may not be copied or distributed; and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Access to the Funds may be subject to restrictions regarding certain persons or countries. This material is not directed to any person in any jurisdiction where (by reason of that person's nationality, residence or otherwise) the material or availability of this material is prohibited. Persons in respect of whom such prohibitions apply must not access this material. Taxation depends on the situation of the individual. The Funds are not registered for retail distribution in Asia, in Japan, in North America, nor are they registered in South America. Carmignac Funds are registered in Singapore as restricted foreign scheme (for professional clients only). The Funds have not been registered under the US Securities Act of 1933. The Funds may not be offered or sold, directly or indirectly, for the benefit or on behalf of a «U.S. person», according to the definition of the US Regulation S and FATCA. The risks, fees and ongoing charges are described in the KID (Key Information Document). The KID must be made available to the subscriber prior to subscription. The subscriber must read the KID. Investors may lose some or all their capital, as the capital in the funds are not guaranteed. The Funds present a risk of loss of capital.

The Funds' prospectus, KIDs, NAVs and annual reports are available at [www.carmignac.com](http://www.carmignac.com), or upon request to the Management Company. Carmignac Portfolio refers to the sub-funds of Carmignac Portfolio SICAV, an investment company under Luxembourg law, conforming to the UCITS Directive. The French investment funds (fonds communs de placement or FCP) are common funds in contractual form conforming to the UCITS or AIFM Directive under French law.

**In France, Luxembourg, Sweden:** The risks, fees and ongoing charges are described in the KID (Key Information Document). The KID must be made available to the subscriber prior to subscription. The subscriber must read the KID. Investors may lose some or all their capital, as the capital in the funds are not guaranteed. The Funds present a risk of loss of capital. The Funds' prospectus, KIDs, NAV and annual reports are available at [www.carmignac.com](http://www.carmignac.com), or upon request to the Management Company.

**In the United Kingdom:** the Funds' respective prospectuses, KIIDs and annual reports are available at [www.carmignac.co.uk](http://www.carmignac.co.uk), or upon request to the Management Company, or for the French Funds, at the offices of the Facilities Agent at BNP PARIBAS SECURITIES SERVICES, operating through its branch in London: 55 Moorgate, London EC2R. This document was prepared by Carmignac Gestion, Carmignac Gestion Luxembourg or Carmignac UK Ltd. FP Carmignac ICVC (the "Company") is an Investment Company with variable capital incorporated in England and Wales under registered number 839620 and is authorised by the FCA with effect from 4 April 2019 and launched on 15 May 2019. FundRock Partners Limited is the Authorised Corporate Director (the "ACD") of the Company and is authorised and regulated by the FCA. Registered Office: Hamilton Centre, Rodney Way, Chelmsford, Essex, CM1 3BY, UK; Registered in England and Wales with number 4162989. Carmignac Gestion Luxembourg SA has been appointed as the Investment Manager and distributor in respect of the Company. Carmignac UK Ltd (Registered in England and Wales with number 14162894) has been appointed as a sub-Investment Manager of the Company and is authorised and regulated by the Financial Conduct Authority with FRN:984288.

**In Switzerland:** the prospectus, KIDs and annual report are available at [www.carmignac.ch](http://www.carmignac.ch), or through our representative in Switzerland, CACEIS (Switzerland), S.A., Route de Signy 35, CH-1260 Nyon. The paying agent is CACEIS Bank, Montrouge, Nyon Branch / Switzerland, Route de Signy 35, 1260 Nyon.

The Management Company can cease promotion in your country anytime. Investors have access to a summary of their rights in English on the following links: [UK](#) ; [Switzerland](#) ; [France](#) ; [Luxembourg](#) ; [Sweden](#).