



## Carmignac Portfolio Family Governed is celebrating its three-year anniversary

Invest in family run businesses with Carmignac Portfolio Family Governed.

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## A bespoke approach to family business



Investing in family-owned companies presents a solid investment thesis as it **aligns the owners' and shareholders' interests** as they are themselves personally involved.

From a financial standpoint, we observe that **family businesses outperform non-family businesses over time due to this 'skin in the game' effect**. This leads to stronger motivation and commitment to the health of the business.

Carmignac Portfolio Family Governed relies on a dedicated analysis of family-owned companies. To do so, we have created **our proprietary tool: the Carmignac Family 500 database**, which screens for a universe of family companies using a rules-based approach. It is supplemented by a qualitative screen to confirm family cross holdings. Carmignac 500 benefits from a rich series of data from a long period of time. **This 15-year history of family company returns allows us to identify relevant factors for family company performance**. The specific point we look at within these companies is understanding the difference between control and ownership. We focus on founder or family control of the company. While ownership is an important consideration, we believe that the level of control is the most important to evaluate the family's 'skin in the game'.

[Receive more information about the Fund](#)

## Why investing in family-owned companies?

50%

### Outperformance

In Europe, family-owned companies have outperformed non-family-owned companies on the stock market by +50% over the past 15 years.

14%

### Higher profitability

The financial profitability of family businesses reaches 14%, compared to 12% for other companies.

3x

### Companies with less debt

They have a level of debt 3x lower than the others.

Source: Proprietary database « Carmignac Family 500 »

## A responsible approach consistent with our long-term view

Carmignac Portfolio Family Governed illustrates our commitment and experience to a responsible investment approach. Our unique approach enables us to **focus on companies demonstrating strong Governance.**

We strive to identify firms **generating positive change based on the Sustainable Development Goals (SDGs)** defined by the United Nations. At Carmignac, we identify nine SDGs as 'investable', which means that companies in which our funds can invest are able to support progress towards these goals through their products and services. In this sense, **Carmignac Portfolio Family Governed has a sustainable objective** of investing more than 50% of the fund's AUM in companies with over 50% of their revenues derived from goods and services positively aligned with at least one of the nine 'investable' SDGs by Carmignac: (1) No Poverty; (2) No Hunger; (3) Good Health and Well Being; (4) Quality Education; (6) Clean Water; (7) Affordable and Clean Energy; (9) Industry, Innovation and Infrastructure; (11) Sustainable Cities and Communities; and (12) Responsible Consumption and Production.

## Invest in family run businesses

Carmignac Portfolio Family Governed is focusing on family companies as, at Carmignac, we share common values: human-driven insight, entrepreneurial spirit and active commitment.



## A thematic Fund reflecting our values



We are focusing on family companies as, at Carmignac, we share common values **human-driven insight, entrepreneurial spirit** and **active commitment**. Being a family business ourselves, this puts us in the best position to understand and anticipate the strategy of the companies' management.

Carmignac benefits from a strong history, and 30 years of investment experience has taught us vigilance. As Governance is a key dimension of family businesses, our dedicated governance analyst is a strong asset for pre-investment deep-dives and governance-related investment recommendations, but also to monitor portfolio holdings.

In our effort to have a positive impact regarding Governance, active ownership is also very important at Carmignac. Our engagement policy helps to identify areas of improvement to the Governance analyst who engages directly with the company to seek to effect change.

Why family companies matters?

[Read more](#)

## Carmignac Portfolio Family Governed A EUR Acc

ISIN: LU1966630706

Risk and Return Profile

Recommended  
minimum  
investment horizon



### Main risks of the Fund

**EQUITY:** The Fund may be affected by stock price variations, the scale of which is dependent on external factors, stock trading volumes or market capitalization.

**CURRENCY:** Currency risk is linked to exposure to a currency other than the Fund's valuation currency, either through direct investment or the use of forward financial instruments.

**DISCRETIONARY MANAGEMENT:** Anticipations of financial market changes made by the Management Company have a direct effect on the Fund's performance, which depends on the stocks selected.

The Fund presents a risk of loss of capital.

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