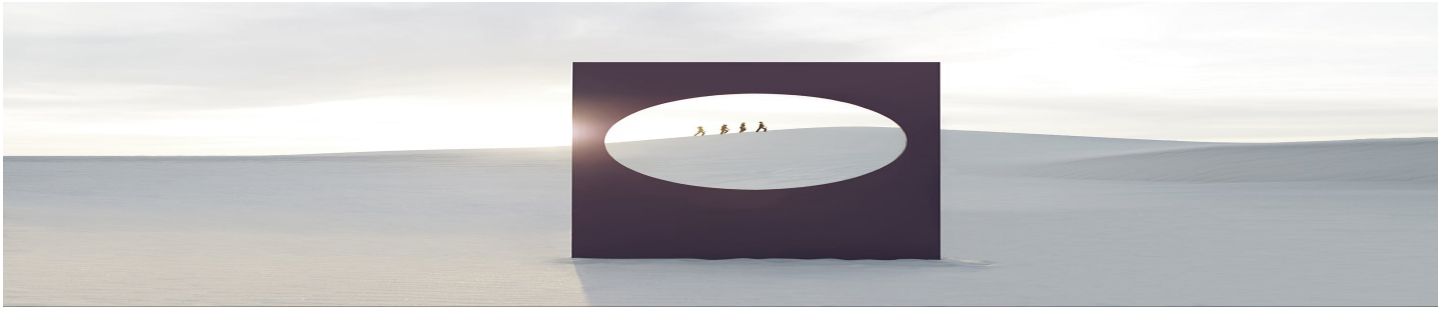
FLASH NOTE

17.04.2023



Carmignac Portfolio Human Xperience is celebrating its two-year anniversary

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Carmignac Portfolio Human Xperience is a Fund focusing on the 'S' of**ESG**.

Social themed equity fund

A thematic strategy that focuses both on customer and employee satisfaction.

Leveraging the Power of Data

Quantitative expertise and experience in using 'alternative' social data.

Global and unconstrained

Concentrated, low turnover portfolio seeking high Active Share.

Understand the philosophy

Carmignac Portfolio Human Xperience invests in companies that demonstrate strong customer and employee satisfaction. Not only do we believe that both matter in order to retain clients and staff, a broad set of research and data support human experience as a key factor for business success. Companies that provide positive experiences to their customers and employees may be better positioned to achieve superior returns over the long-term.

The **first pillar** focuses on finding companies demonstrating a strong customer experience. In order to do so we seek to understand multiple factors related to how the company considers and addresses customers' expectations. These key factors are as follows:

Product safety & responsibility

Customer satisfaction

Customer privacy

Customer welfare

The **second pillar** focuses on finding companies demonstrating a strong employee experience. Understanding and analysing how employees are treated by companies is key to identify the best players. The factors that can lead to a positive employee experience are as follows:

Health & safety

Employee Engagement

Corporate culture

Diversity & inclusion

Sustainable investment is fully integrated into this investment process and is part of our objective to capture companies with attractive long-term prospects. The Fund adopts a best-in-class and socially responsible approach to investment. We strive to select the best issuers in the investable universe based on their differentiating management of customer and employee satisfaction.

Performance review

Our portfolio has a natural bias towards consumer related sectors. Although 2022 suffered from this overweight, namely in technology and consumer discretionary, stock selection has demonstrated a neutral impact on underperformance over the period. Since launch stock selection in the following sectors have contributed positively to overall performance:

Consumer Staples – positions in L'Oreal and General Mills have been beneficial to the Fund where our survey data demonstrate strong satisfaction for both customers and employees.
Healthcare – Novo Nordisk's focus on fighting diabetes has been a top performer in its sector and for the Fund.
Technology – Intuit and Nvidia have contributed positively since the beginning of the year and are among the best companies to work for within the Fortune surveys.

Our portfolio has been mainly tilted towards more defensive quality companies, in a context of slowing growth all around the world.

What will come next ?

The market dynamics we are in are still driven by higher inflationary pressures and rising prospects of weakening economic growth.

Our strategy's focus remains on identifying and owning companies which exhibit strong customer and employee characteristics that we believe have the best prospects over the long run. While the market was particularly turbulent over 2022, we are confident that the latter has created a unique set of opportunities that we look to capitalise on.

Over the past year we have remained defensively positioned and sought to reduce cyclicality in the portfolio. Whilst inflation is an issue today, our consumer stocks should benefit from the inflation anxiety easing and as a result real incomes becoming less negative.

Carmignac Portfolio Human Xperience

A thematic fund focused on customer and employee experience

Do you want to know more?

Carmignac Portfolio Human Xperience A EUR Acc

ISIN: LU2295992163

Recommended minimum investment horizon

Lower risk Higher risk

1	2	3	4*	5	6	7

Main risk 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.

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.

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The Funds' prospectus, KIDs, NAVs and annual reports are available at www.carmignac.com, or upon request to the Management 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, or upon request to the Management.
In the United Kingdom: the Funds' respective prospectuses, KIIDs and annual reports are available at 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.
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