

SICAV BLB American Equities

A fund of SICAV BLB • SFDR category: Article 8

Summary

The fund aims to increase the value of its investments over the long term.

Due to the manager's bottom-up approach to stock selection, the fund does not promote any particular environmental and/or social characteristics, but a combination of them.

The environmental and/or social characteristics promoted by the fund are a result of the manager's investment strategy, which promotes sustainability through three axes: the integration of sustainability in its decisions, the application of exclusion policies and active engagement. The objective is to invest in companies with a favorable ESG profile.

It excludes or restricts investments in certain sectors that have significant activities with adverse environmental or social impacts.

No sustainable investment objective

This fund promotes E/S characteristics but does not have as its objective sustainable investment.

"No significant harm" principle

The manager applies an internal model for monitoring principal adverse impacts and compliance with the principles of good governance, which enables the identification of potential significant adverse impacts of a sustainable investment on other sustainability objectives.

In particular, the manager excludes from its investment universe companies that present very severe controversies in terms of governance.

Main indicator for measuring impact on sustainability

The manager integrates sustainability factors into his buying and selling decisions by adjusting the intrinsic value of the companies according to their ESG performance, based on the ESG rating system established by MSCI ESG Research. Thus, the balance of the buy/sell discipline is shifted in favour of companies with a favourable sustainability profile.

The manager will therefore monitor the sustainability level of the investments through this rating system established by an external and independent data provider.

E/S characteristics

Due to the manager's bottom-up approach to stock selection, the fund does not promote any particular environmental and/or social characteristics, but a combination of them.

The environmental and/or social characteristics promoted by the fund are a result of the manager's investment strategy, which promotes sustainability through three axes: the integration of sustainability in its decisions, the application of exclusion policies and active engagement. The objective is to invest in companies with a favorable ESG profile.

Investment strategy

Objective(s) To achieve long-term capital appreciation of your investment.

Benchmark(s) The Fund is managed without reference to an index.

Portfolio investments The Fund invests primarily in large-cap North American equities.

Derivatives and techniques The Fund may use derivatives to reduce risk and portfolio management costs, but not to achieve a higher return by increasing its exposure.

Strategy In actively managing the portfolio, the manager uses a fundamental and conviction approach to identify a relatively small number of quality companies that it believes have high potential for appreciation.

SUSTAINABILITY APPROACH By incorporating extra-financial analysis into its investment decisions, the manager favours issuers with a high environmental, social and governance (ESG) profile and excludes those with a low ESG profile. It also excludes companies that do not comply with international human rights or labour standards, as well as those exposed to the non-conventional weapons sector, such as anti-personnel mines and cluster munitions.

Base currency USD.

E/S methodologies

Positive ESG inclination

The fund manager integrates sustainability into its management decisions by taking into account sustainability factors applied to the valuation model of the securities.

The manager uses an ESG rating system established by MSCI ESG Research, an external and independent service provider. In its investment selection, the manager promotes issuers with high ESG ratings.

Specifically, in its method of evaluating potential investments, the manager assigns a higher value to issuers with a high ESG rating and, conversely, a lower value to issuers with a low ESG rating.

Exclusions

The fund applies an exclusion policy based on :

- consideration of controversies including violations of international social, labour or human rights standards and conventions, such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises

- the exclusion of companies whose activities involve the manufacture, use or possession of controversial weapons, such as anti-personnel landmines, cluster munitions, biological and chemical weapons, depleted uranium

- specific criteria for its sustainable investments by excluding companies generating more than 10% of their revenues from the following sectors: thermal coal (extraction and power generation) and oil (extraction, refining and power generation); gold mining; weapons; gambling, alcohol and tobacco

Active engagement

On a case-by-case basis, and in particular with a view to protect the interests of its shareholders and achieving its ESG objectives, the fund may engage with management team of the issuers and exercise its voting rights to influence its portfolio companies on material ESG issues.

Asset allocation

	% of assets
Investments aligned with the fund's E/S characteristics	Min. 30%
Qualifying as sustainable investments	Min. 30%
- under the EU Taxonomy ¹	—
- with a social objective	—
- Not qualifying as sustainable investments but having other E/S characteristics	—
Other investments	Min. 0%

¹ Cannot yet be calculated due to the lack of issuer data and incomplete EU Taxonomy criteria.

² Includes derivatives and cash positions (which are not measured as to E/S characteristics) as well as securities of issuers that are neither aligned with the fund's E/S characteristics nor qualify as sustainable but do meet the E/S safeguards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Monitoring of E/S characteristics

The fund manager monitors ESG controversies and regularly reviews his analysis on the issuers in the portfolio with an eye to potential ESG issues and a focus on issuers with low ESG performance.

Data sources and processing

Data sources include: analyst reports, MSCI ESG research, issuer-provided data, data purchased from data providers, and data generated internally by fund management team.

Data is processed and analysed by external sources (such as MSCI and data providers) and internal sources.

Limitations of methodologies and data

Since ESG data is a comparatively new concept, there is little historical data available, and data methodologies as well as actual data are still being developed.

Data provided by any source, in particular companies themselves, may be incomplete, biased or incorrect. Data comparisons can often identify such situations, but in some cases little data is available to make comparisons. In some cases, metrics that appear to be comparable may have been derived using non-comparable measurements. Any of these issues could leave the fund potentially vulnerable to data flaws.

Due diligence

The management team evaluates and continually monitors both actual and potential investments using widely accepted standards and a variety of internal and external data sources, including major financial industry providers.

Engagement policies

► See E/S methodologies

Reference benchmark (ESG)

The fund does not use a benchmark to evaluate its overall ESG profile.

Terms to understand

E/S Environmental and/or social.

ESG Environmental, social and governance.

ESG risk, sustainability risk An ESG event or trend that may bring reputational or financial harm to a corporate or sovereign issuer.

ESG score A measure of an issuer's exposure to ESG/ sustainability risks, typically based on data and developed through the investment team's analysis and scoring method.

EU Taxonomy The EU's official classification of economic activities that contribute to an environmental objective (such as climate change mitigation, water protection, circular economy, pollution prevention or biodiversity protection). In future the taxonomy will include activities with a social objective.

issuer A company, government, government agency, government-sponsored organisation, or supranational or public international entity that registers and sells securities.

reference benchmark An index or combination of indices used by the fund to attain or compare its E/S characteristics.

SFDR Regulation (EU) 2019/2088 on sustainability-related disclosures for financial products.

sustainable investment An investment in economic activities, undertaken by companies that follow good governance practices, that contribute to an E/S objective without significantly harming other E/S objectives.

UN Global Compact A United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation.

SICAV BLB European Equities

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No sustainable investment objective

This fund promotes E/S characteristics but does not have as its objective sustainable investment.

"No significant harm" principle

The manager applies an internal model for monitoring principal adverse impacts and compliance with the principles of good governance, which enables the identification of potential significant adverse impacts of a sustainable investment on other sustainability objectives.

In particular, the manager excludes from its investment universe companies that present very severe controversies in terms of governance.

Main indicator for measuring impact on sustainability

The manager integrates sustainability factors into his buying and selling decisions by adjusting the intrinsic value of the companies according to their ESG performance, based on the ESG rating system established by MSCI ESG Research. Thus, the balance of the buy/sell discipline is shifted in favour of companies with a favourable sustainability profile.

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E/S characteristics

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Investment strategy

Objective(s) To obtain long-term capital gains from your investment.

Benchmark(s) The fund is managed without reference to an index.

Portfolio investments The fund invests primarily in European companies.

Derivatives and techniques The fund may use derivatives to reduce portfolio management risks and costs, but not to achieve a higher return by increasing its exposure.

Strategy In actively managing the portfolio, the manager uses a fundamental, conviction-based approach to identify a relatively small number of quality companies that it believes have high potential for appreciation.

SUSTAINABILITY APPROACH By incorporating extra-financial analysis into its investment decisions, the manager favors issuers with a high environmental, social and governance (ESG) profile and excludes those with a low ESG profile. It also excludes companies that do not comply with international human rights or labor standards, as well as those exposed to the non-conventional weapons sector, such as anti-personnel mines and cluster munitions.

Base currency EUR.

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