

Fund Fact Sheet

30/06/2021

Asset Class

Equities Europe, all Caps

Fund Characteristics

AUM	€ 1532,6 mn
Launch date	28/09/1990
Oldest share class (B)	LU0093570330
Turnover (2020) ¹	16%
Reference currency	EUR
Hedged share classes available in	USD / CHF
Legal structure	SICAV, UCITS
Domicile	Luxembourg
European Passport	Yes
Countries of registration	AT, BE, CH, DE, DK, ES, FI, FR, GB, IT, LU, NL, NO, SE, SG, PT
SFDR	Art. 8

Representative Market Index

MSCI Europe NR (EUR)

Fund Manager

Following two years as portfolio manager and investment advisor at Banque Degroof Luxembourg, **Ivan Bouillot** joined Banque de Luxembourg in 2000 as a financial analyst, and was appointed head of European equity investments for the Bank's fund range in 2004. Ivan has a degree in Business and Finance from the ICHEC University in Brussels. In 2000, he obtained his CEFA (Certified EFFAS Financial Analyst) diploma and he has been a CFA (chartered financial analyst) charter holder since 2006.

Management Company

BLI - Banque de Luxembourg Investments
16, boulevard Royal
L-2449 Luxembourg
Tel: (+352) 26 26 99 - 1
www.bli.lu

Dealing & Administrator Details

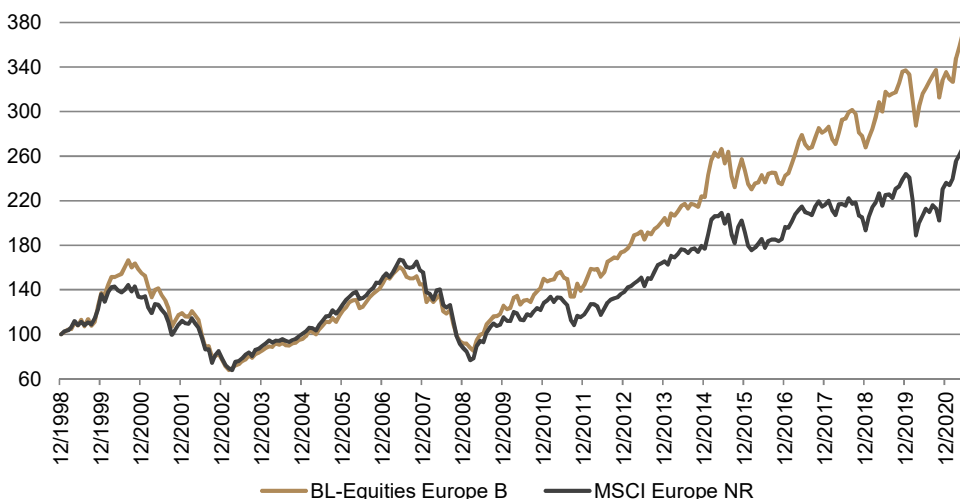
European Fund Administration (EFA)
Tel +352 48 48 80 582
Fax +352 48 65 61 8002
Dealing frequency daily²
Cut-off time 12:00 CET
Front-load fee max. 5%
Redemption fee none
NAV calculation daily²
NAV publication www.fundinfo.com

Investment Objective

The fund's objective is to generate long-term capital gains by investing in high-quality European companies which have a sustainable competitive advantage and a sound ESG (environmental, social and governance) profile. It aims to achieve higher risk-adjusted returns than its benchmark universe over a full market cycle. Alongside these financial goals, impact targets have been set in terms of the portfolio's ESG performance and these are regularly monitored. The fund manager implements an active, long-term strategy based on solid convictions.

Key Facts

- An active, fundamental, conviction-based approach (30 to 40 stocks), purely bottom-up and oriented towards the long term;
- As well as valuation, constant attention is paid to the financial and ESG quality of the companies in the portfolio;
- Integration of ESG factors at different stages of the investment process (exclusions, analysis, valuation, monitoring);
- Regular review of the valuation of each stock and the average valuation of the portfolio;
- Non-benchmarked management resulting in significant deviations from the initial investment universe;
- Defined and quantifiable impact targets on environmental, social, governance and human rights aspects;
- Low turnover.



Performance	YTD	2020	2019	2018	2017	2016
Fund (B shares)	14,8%	-0,6%	25,9%	-5,4%	16,8%	-1,8%
MSCI Europe NR	15,4%	-3,3%	26,0%	-10,6%	10,2%	2,6%

Performance	1 month	3 months	6 months	1 year	3 years	5 years	10 years
Fund (B shares)	4,0%	10,5%	14,8%	19,8%	31,1%	62,8%	155,4%
MSCI Europe NR	1,7%	6,5%	15,4%	27,9%	26,3%	53,2%	110,4%

Annualised Performance	1 year	3 years	5 years	10 years
Fund (B shares)	19,8%	9,4%	10,2%	9,8%
MSCI Europe NR	27,9%	8,1%	8,9%	7,7%

Annualised Volatility	1 year	3 years	5 years	10 years
Fund (B shares)	12,0%	15,4%	13,5%	14,7%
MSCI Europe NR	13,6%	19,9%	16,7%	17,6%

The market index (MSCI Europe NR) is shown in the performance chart as well as in the performance tables above for performance measurement purposes only and it should under no circumstances be considered as an indication of a specific investment style or strategy.

Investors are also invited to consult the performance chart disclosed in the key investor information document of the sub-fund.



¹ min (purchases, sales) / average of net assets
² Luxembourg banking business day

Current Portfolio

30/06/2021

Top Holdings

Sika	6,6%
SAP	5,9%
Essity	5,3%
LVMH	4,7%
Assa Abloy	4,5%
EssilorLuxottica	4,5%
Novo Nordisk	4,2%
Legrand	4,1%
Air Liquide	3,8%
Pernod Ricard	3,7%

Summary Statistics

Weight of Top 10	47,3%
Number of holdings	35
Active Share vs MSCI Europe	85,0%

New Investments in June

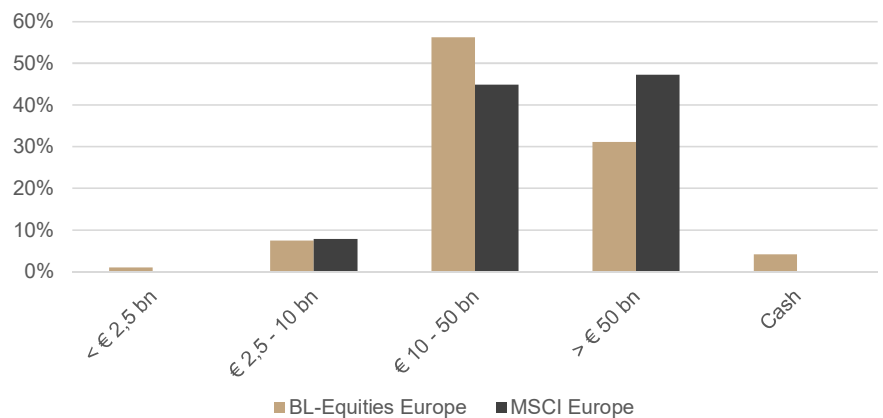
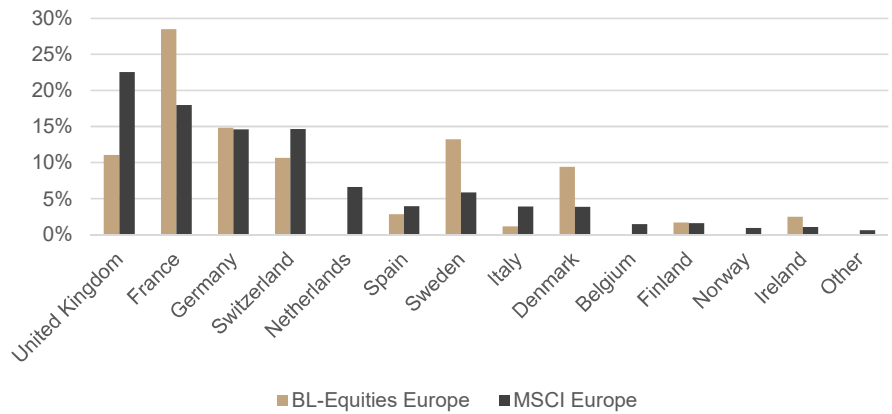
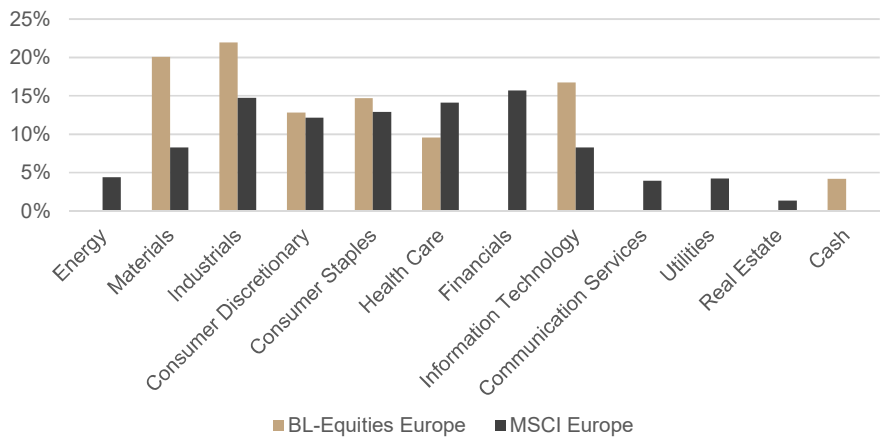
no transactions

Investments sold in June

no transactions

Currency Allocation

EUR	51,5%
SEK	13,2%
GBP	11,1%
CHF	10,7%
DKK	9,4%
Cash	4,2%



Investor Type	Clean Share	Eligibility Restrictions	Share class	Currency	Currency Hedging	Income	Mgmt fee	On-going Charges	SRRI	ISIN	Bloomberg Ticker
Retail	No	No	A	EUR	No	Dis	1,25%	1,40%	5	LU0439765081	BLEQEUA LX
Retail	No	No	B	EUR	No	Cap	1,25%	1,40%	5	LU0093570330	BLE4725 LX
Retail	No	No	B CHF Hedged	CHF	Yes	Cap	1,25%	1,37%	5	LU1305477884	BLEQBCH LX
Retail	No	No	B USD Hedged	USD	Yes	Cap	1,25%	1,41%	5	LU1273297371	BLEQEUC LX
Retail	Yes	Yes	AM	EUR	No	Dis	0,85%	1,01%	5	LU1484141491	BLEQAMD LX
Retail	Yes	Yes	BM	EUR	No	Cap	0,85%	1,00%	5	LU1484141574	BLEQEBM LX
Retail	Yes	Yes	BM CHF Hedged	CHF	Yes	Cap	0,85%	0,10%	5	LU1484141657	BLEQBMC LX
Retail	Yes	Yes	BM USD Hedged	USD	Yes	Cap	0,85%	1,00%	5	LU1484141731	BLEQBMU LX
Institutional	No	Yes	BI	EUR	No	Cap	0,60%	0,71%	5	LU0439765321	BLEQEIC LX

Management Report

30/06/2021

The expected economic upturn following the progress of the global covid vaccination campaign helped the markets maintain their upward trend in the first half of June. The trajectory subsequently weakened, probably due to the spread of the Delta variant. The MSCI Europe Net Total Return ended the month 1.70% higher. BL Equities Europe was up 4.02%.

The main gains during the month were recorded by EssilorLuxottica, Novo Nordisk, Teleperformance, Dassault Systèmes and Symrise. EssilorLuxottica advanced throughout the month, buoyed by measures to streamline its distribution network to comply with the antitrust requirements for the merger with GrandVision and, in the second half of the month, by confirmation that the GrandVision purchase transaction had been completed. The uncertainties surrounding the deal have been removed and the group can now focus on integrating the entity and achieving the expected synergies. Novo Nordisk benefited from encouraging comments on its drug pipeline and on the positive impact of digitalisation and automation on its R&D productivity, and from confirmation that it is ramping up its activity in the obesity drugs market. Teleperformance confirmed that the acquisition of Health Advocate, announced in late 2020, had been completed. Health Advocate is a solutions platform that addresses the needs of employees and employers in managing the health of the workforce. It enables employees to navigate a complex private healthcare system in the US where over 70% of employees do not know what their healthcare benefits include.

Boozt, TeamViewer, Essity, Fresenius and Reckitt Benckiser were the main positions lagging behind, despite no particular underlying news. TeamViewer continues to be affected by the market's wait-and-see attitude while the group intensifies its efforts to develop new markets. TeamViewer has concluded an agreement with SAP to integrate its Frontline suite into SAP solutions. Frontline is an augmented reality and remote intervention solution (the software interface can be smart glasses), which SAP will offer to its industrial customers for the maintenance and repair of their equipment.

As regards our companies' ESG efforts, LVMH is again playing a pioneering role by announcing an agreement with the start-up Wetrun for the closed-loop recycling of its unsold textiles. This approach firmly commits the group to achieving its pledge of 100% eco-designed products by 2030. Spirax Sarco, the UK specialist in steam flow management as an energy source in industrial plants, has announced that it will accelerate its sustainability performance with specific impact targets, including achieving zero new greenhouse gas emissions by 2030, zero waste to landfill by 2025, and encouraging the sale of systems with clear impact benefits for its customers. During the month, as part of the SFDR regulation imposed on investors, we also had discussions with SGS to understand the company's position on signing up to the UNGC principles.

We marginally strengthened our positions in Boozt, Sweco, TeamViewer and Teleperformance.

	BL-Equities Europe	MSCI Europe
ESG Score	5,92	5,665
Environmental	6,2835	6,348
Carbon Emissions Intensity (t / EUR mn sales)	79,36 (100%)	131,38 (99%)
Total Water Withdrawal Intensity (m3/ EUR million sales)	1356,43 (49%)	243003 (48%)
Climate Change Theme Score	9,0947 (100%)	8,719 (99%)
Social	5,6011	5,377
Human Capital Theme Score	5,597 (100%)	5,42619 (99%)
Severe Labor Management Controversies	3,41% (89%)	6,13% (100%)
Governance	5,927	5,542
Corporate Governance Theme Score	6,8 (100%)	6,8 (100%)
Global Norms		
UN Global Compact Signatories	68% (89%)	79% (97%)
UN Global Compact Watchlist	2,6% (100%)	16,3% (100%)
UN Global Compact Fail	0,00% (100%)	2,52% (100%)

Scores / 10

(%): Data Coverage

The fund excludes the 20% worst performing companies in terms of ESG from its investment universe

The objectives in terms of impact indicators are to outperform the relevant market index over the long term.

ESG Methodology

Pre Investment

Exclusions

All companies active in the production of controversial weapons.
Companies with an ESG rating below BBB, which reduces the investment universe by at least 20%. The remaining companies offer a superior ESG profile.

Controversies screening

Investment candidates and investments are monitored on an ongoing basis to identify substantial ESG events that could affect a company's business model, reputation and thus potentially BLI's investment case.

Intra Investment

ESG Integration

The rating bands define the ESG adjustment factor that is applied to the actualisation factors used in BLI's valuation model.



A company with a superior ESG profile enjoys lower cost of equity, which leads to a higher fair value, while a company lagging in terms of ESG faces higher cost of equity, which leads to a lower fair value.

Post Investment

Engagement & Voting

BLI initiates an active engagement policy with invested companies. Focus is on defined impact factors as well as wider ESG topics.

As an active investor, BLI votes at the annual meetings of invested companies.

Controversies follow-up

Ongoing monitoring of analysed controversies to assess realised progress.

Investment Approach

Investment Principles

Limit investment losses

The value of an investment that has lost 50% must double to recover incurred losses
Avoiding losses is more important than generating extraordinary gains

Control company specific risk

Risks arise when the parameters of an investment are not properly understood
We avoid investing in companies we do not fully understand

Valuation monitoring

The price paid for an investment determines its potential return
We monitor the margin of safety to minimize the likelihood of suffering losses on our investments

Consideration of an entire market cycle

Foregoing part of potential gains in strongly rising markets pays dividends in falling markets
Our objective is to outperform the relevant benchmark through an entire market cycle.

Benchmark agnostic

The market reference is solely used for performance measurement principles
Owing to the active investment approach of our portfolio management, the portfolio structure deviates strongly from that of the benchmark.

Equity Investment Approach: Business-Like Investing

We consider an equity investment as a long-term participation in a business. The companies we target enjoy a sustainable competitive advantage that differentiates them from their competitors. They need to show an attractive return profile and generate high and consistent levels of free cash-flow.

Quality

In the first step of our investment process, we perform an in-depth review of the targeted company's business model in order to identify its competitive advantage. Differentiation through a competitive advantage creates entry barriers against competitors and enables a company to better execute its strategy. In the second step we analyse whether the competitive advantage translates into high ROCE and whether the company generates consistent cash-flow. We analyse the maintenance capex requirements of the targeted companies to make sure that the generated cash-flow is not absorbed by investments needed to sustain its current business operations. We emphasize the analysis of the balance sheet and look for companies with a low level of gearing through the cycle.

In the third step, we analyse how the targeted company has used and will use its capital. The company's management faces the following options: investment in current business activities, development of new activities, takeovers, dividend payments, stock buybacks or debt repayments. Only companies that meet our investment criteria are considered for inclusion into our portfolios, which may lead to significant deviations from the market benchmarks.

Valuation

Investments may lead to important capital losses if the price paid for the investment is too high. To avoid this pitfall, we derive a fair value for each targeted company prior to investing. This fair value is based on the company's normalised free cash-flow and serves as reference point for our buy and sell discipline.

We invest in a company, when its stock price offers the most attractive margin of safety, taking into account its development prospects.

Portfolio characteristics

BL-Equities Europe invests in a focused selection of European companies. Targeted companies are typically among the top-3 in their respective markets and offer favourable development prospects. We construct a concentrated portfolio of approximately 35 positions, which allows us to have a good handle of each individual investment, to express our convictions and to minimise errors. Our investment process singles out companies that stand out against their competitors - through an added value product or service, through a good corporate strategy and production process, which underscores high levels of profitability and a healthy financial situation. Portfolio candidates need to enjoy favourable sales growth and / or margin progression prospects.

Our investment choices lead to significant and structural deviations from the fund's relevant market (MSCI Europe NR). We do not invest in all sectors that are represented in the market index. We identify most investment opportunities in the consumer, industrial, health care, chemical and technology sectors. Conversely, there are sectors like financials, utilities or telecom, where we find few - if any - companies that meet our investment criteria. The fund's geographical focus is biased towards Switzerland, Germany, France, Sweden, Denmark and the UK. In terms of market capitalisations, 3/4 of the portfolio are usually invested in companies with a market cap between € 2 and 50 bn.

Our investment strategy has a long-term orientation: our investment cases are constructed with a 3 to 5-year investment horizon. When implementing our bottom-up investment strategy, we do not consider any short term macroeconomic views. Owing to this approach, portfolio turnover rate is low: 25% annual turnover rate is to be expected on average. When making an investment, we are wary of valuation levels of each individual company: at investment, the market price needs to offer a discount against the company's fair value (margin of safety). The average valuation level of the portfolio is also closely monitored.

Portfolio construction rests on three main pillars: the stable core portfolio consists of well-established companies. It is complemented by pockets consisting of growth franchises (focus on growth prospects) and of special situations (focus on turnaround of fundamentals). The portfolio structure is the outcome of individual bottom-up investment opportunities without consideration of the fund's relevant benchmark structure. The weight given to each security in the

Legal Information

This document is issued by Banque de Luxembourg Investments ("BLI"), with the greatest care and to the best of its knowledge and belief. However, no guarantee is provided with regard to its content and completeness and BLI does not accept any liability for any losses which might arise from making use of the information contained herein. The opinions expressed in this document are those of BLI at the time of writing and are subject to change at any time without notice. If nothing is indicated to the contrary, all figures are unaudited.

The product description contained herein is for information purposes only and is for the exclusive use of the recipient. Nothing in this document should be construed as an offer and is therefore not a recommendation to purchase or sell shares. It does not release the recipient from exercising his own judgement. Unless specifically indicated, this description is solely aimed at institutional investors according to the Luxembourgish law of 17 december 2010.

The securities and financial instruments described in this document may generate considerable losses and are not therefore suitable for all investors. Among other risks, these include market risks, currency fluctuation risks, credit or payment default risks, liquidity risks and interest rate risks. BLI cannot guarantee that the securities and financial instruments will achieve the intended investment objectives. Each investor must ensure that he is aware of the risks and the consequent legal, tax, accounting and commercial aspects related to these securities and financial instruments.

The accuracy of the data, the evaluation, opinions and estimates of which are included in this document, has been very carefully checked. Any statements made in this document may be subject to change without prior warning.

References to past performances of financial instruments should not be interpreted as a guarantee of future returns.

The recipient is recommended in particular to check that the information provided is in line with his own circumstances with regard to any legal, regulatory, tax or other consequences, if necessary with the help of a professional adviser. It is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. Neither this document nor any copy thereof may be sent, taken into or distributed in the United States or to any U.S. person as defined in the fund's prospectus. This material is not for distribution to the general public. It is intended for the recipient personally, and it may be used solely by the person to whom it was presented. It does not constitute and may not be used for or in connection with a public offer in Luxembourg of the products referred to herein.

The prospectus, the articles of incorporation, the annual and semi-annual reports of BL as well as the key investor information document (KIID) of the sub-fund are available on www.bli.lu or upon request from BLI. The KIIDs are available in French, English and in any other official language of registration of BL.

This document may not be reproduced either in part or in full without the prior written consent of BLI.

Specific Information concerning MSCI Data:

All MSCI data is provided "as is". Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the result to be obtained by the use thereof) and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Specific Information concerning GICS Data:

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard and Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed to use by Banque de Luxembourg S.A.. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classification have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if noticed of the possibility of such damages.

Specific Information for Switzerland:

Legal documentation of the fund may be obtained, free of charge, at the offices of the Swiss representative, CACEIS (Switzerland) S.A., 7-9, Chemin de Précossy, CH-1260 Nyon, Switzerland, in accordance with the provisions of the Swiss Collective Investment Schemes Act of 23 June 2006 ("CISA").

The SICAV has appointed Banque CIC (Suisse) SA, Marktplatz 13, CH-4001 Bâle, Switzerland to act as paying agent for Switzerland.

The present document may be distributed to Swiss qualified investors.

Specific Information for France:

The present document may be distributed to French professional investors.