

Fund Fact Sheet

31/07/2020

Asset Class

Global Equities, SRI

Fund Characteristics

AUM	€ 65,4 mn
Launch date	06/03/1997
SRI since	01/01/2008
Oldest share class (B)	LU0093570173
Turnover (2019) ¹	46%
Reference currency	EUR
Legal structure	SICAV, UCITS
Domicile	Luxembourg
European passport	Yes
Countries of registration	AT, BE, DK, FI, FR, DE, ES, IT, LU, NL, NO, SG, SE, CH, GB

Fund Manager

After nearly four years as financial analyst at Banque Générale du Luxembourg, Joël Reuland joined the Asset Management department of Banque de Luxembourg in 1999. Joël graduated in Management from the Ecole de Commerce Solvay in Brussels in 1995, and in 2004, he earned the CFA (chartered financial analyst) charter.

Management Company

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Dealing & Administrator Details

European Fund Administration (EFA)

Tel +352 48 48 80 582
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Dealing frequency daily**
Cut-off time 17:00 CET
Front-load fee max. 5%
Redemption fee none
NAV calculation daily²
NAV publication www.fundinfo.com

Investment objective

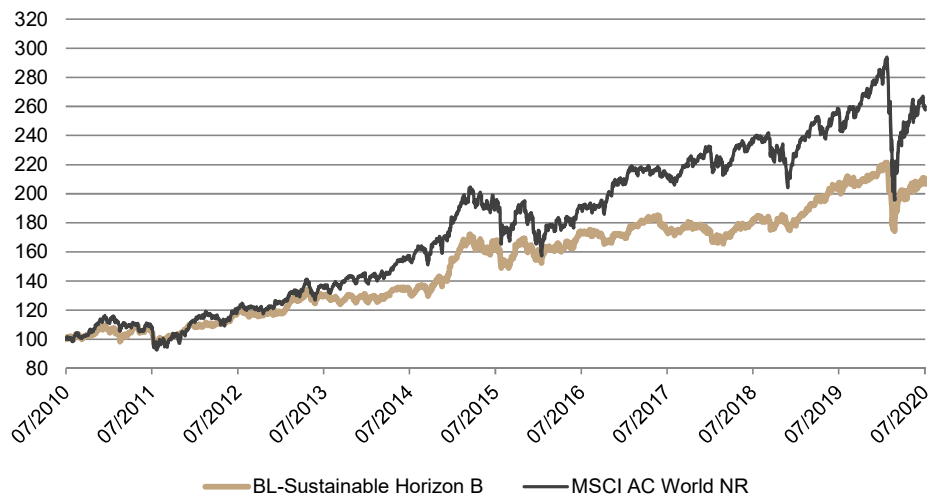
The fund invests at least 75% of its assets in high-quality companies with a stable competitive advantage. In addition to financial criteria, the selection process integrates environmental (E), social (S) and governance (G) factors.

The investment strategy combines several sustainability dimensions with BLI's Business-Like Investing approach:

1. Implementation of exclusion criteria for activities exhibiting significant controversies.
2. Quantitative screening based on MSCI's ESG ratings is used to assess the ESG performance of companies and to select those with a superior profile.
3. Construction of a themed segment within the portfolio comprising of companies contributing directly or indirectly to the achievement of the United Nations' Sustainable Development Goals (SDGs). Impact targets have been set in terms of the portfolio's environmental, social and governance performance. These targets are monitored on a regular basis.

Highlights

- Active, conviction-based (25 to 50 stocks), purely bottom-up, long term oriented investment approach
- A conservative risk profile to reduce the downside risk in market downturns
- The combination of rigorous fundamental financial analysis and a considered ESG approach helps to identify quality companies with clear competitive advantages and a solid ESG profile
- A multi-faceted ESG approach: exclusion criteria, quantitative ESG screening and a themed segment based on the SDGs
- Clear and quantifiable impact targets covering environmental, social, governance and human rights aspects



Performance	YTD	2019	2018	2017	2016	2015
Fund (B shares)	-2,6%	19,6%	0,9%	2,3%	5,2%	15,2%
MSCI AC World NR	-6,3%	28,9%	-4,8%	8,9%	11,1%	8,8%

Performance	3 months	6 months	1 year	3 years	5 years	since 01/01/2008
Fund (B shares)	3,3%	-4,3%	0,4%	19,2%	25,2%	95,1%
MSCI AC World NR	5,0%	-6,5%	0,9%	22,1%	33,3%	120,5%

Volatility	3 months	6 months	1 year	3 years	5 years	since 01/01/2008
Fund (B shares)	12,8%	22,7%	16,8%	12,0%	11,6%	11,3%
MSCI AC World NR	18,0%	34,0%	24,7%	17,6%	16,7%	17,8%

The index (MSCI World) 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

31/07/2020

Top Holdings Equity Portfolio

Kimberly-Clark	7,9%
Unilever	7,5%
Essity	7,1%
Colgate Palmolive	5,5%
Canadian National Railway Co	5,0%
SGS	3,7%
SAP	3,7%
Air Liquide	3,6%
Danone	3,2%
Home Depot	3,2%
Cash	20,0%
Weight of Top 10	50,3%
Number of holdings	25

New Investments in July

no transactions

Investments sold in July

no transactions

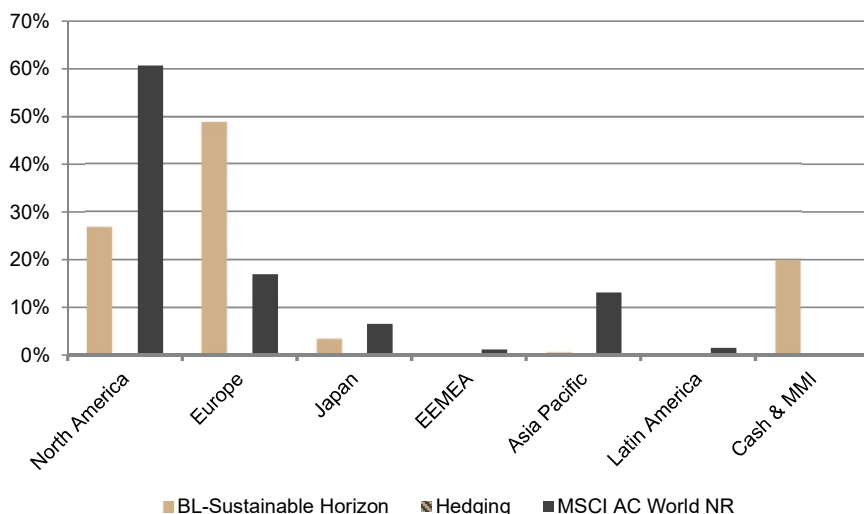
Currency Allocation

CAD	5,0%
CHF	7,5%
DKK	3,2%
EUR	40,0%
GBp	5,1%
HKD	0,7%
JPY	8,3%
SEK	8,2%
USD	21,9%

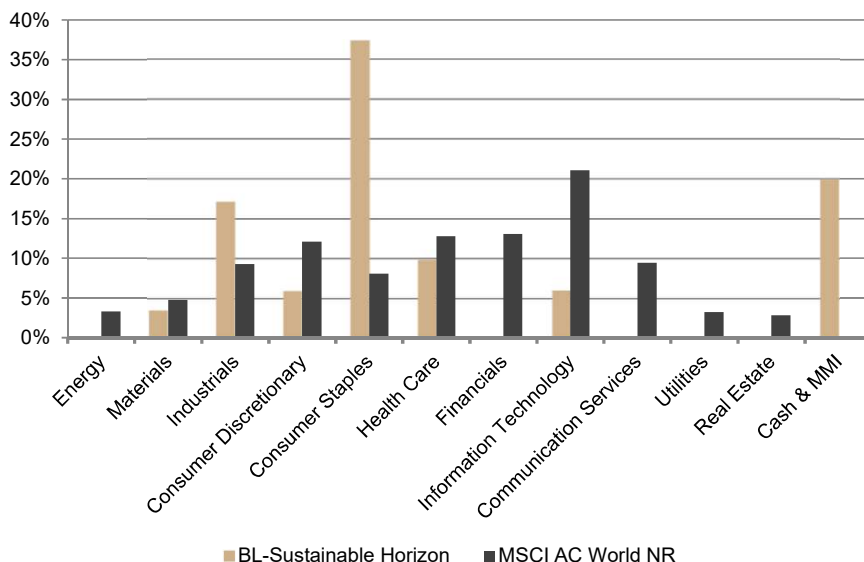
Asset Allocation

	Exposure	Hedging
Equity (gross)	80,0%	
Equity (net)	80,0%	0,0%
Cash	20,0%	

Regional Allocation



Sector Allocation



Investor Type	Clean Share	Eligibility Restrictions	Share Class	Currency	Income	Mgmt Fees	On-going Charges	SRR1	ISIN	Bloomberg Ticker
Retail	Non	Non	A	EUR	Dis	1,25%	1,69%	5	LU0439764860	BLEQHAD LX
Retail	Non	Non	B	EUR	Cap	1,25%	1,70%	5	LU0093570173	BLE4723 LX
Retail	Oui	Oui	AM	EUR	Dis	0,85%	1,33%	5	LU1484140840	BLEQHAM LX
Retail	Oui	Oui	BM	EUR	Cap	0,85%	1,31%	5	LU1484140923	BLEQHBM LX
Institutionnel	Non	Oui	BI	EUR	Cap	0,60%	0,95%	5	LU0495657552	BLEQHBI LX

ESG Report

Method of assessing the impact achieved

The fund manager aims to achieve concrete environmental, social and governance targets:

- Limitation of global warming (environmental impact)
- Implementation of high-quality working conditions in companies (social impact)
- Respect for Human Rights as defined by the United Nations
- Existence of independent Boards of Directors with equal numbers of men and women (governance impact).

These impact targets are measured regularly using the following indicators:

- **Environmental performance measurement: greenhouse gas emissions (carbon intensity)**
- **Social performance measurement: number of severe controversies in human resources management (remuneration, hours worked, respect for privacy, abuses in the event of dismissal or downsizing, etc.)**
- **Performance measurement in terms of respect for Human Rights: signatory of the United Nations Global Compact and assessment of the company's compliance with it in its practices**
- **Performance measurement in terms of governance: independence of the members of the Board of Directors, equal number of men and women on the Board.**

Environment	
	Carbon intensity (tCO ₂ / €m turnover) (weighted average)
Fund	144,41
MSCI ACWI	163,79

Social	
	Severe controversies - HR management
Fund	5,06%
MSCI ACWI	10,30%

Governance		
	Independent Board	% of female directors
Fund	85,51%	35,83%
MSCI ACWI	75,92%	28,07%

UN Global Compact Signatory	
Yes	18
No	5
No, but aligned	2

UN Global Compact Compliance		
	Watchlist	Fail
Funds	0%	0%
MSCI ACWI	12,2%	1,8%

Management Report

In July, the positions in Unilever and Sonova were slightly strengthened. There were no major changes to the portfolio during the month. The fund's positioning remains very defensive.

With regards to sustainability aspects, we continue to closely monitor the behaviour of the companies in the portfolio. For example, Canadian National Railway, part of the themed segment, has signalled its intention to become a signatory to the UN Global Compact during the course of this year.

The food group Danone has adopted the 'Entreprise à Mission' legal framework and in so doing becomes the first French company to take on the mantle of this format that was introduced by the Loi Pacte in 2019. This means that the company includes in its articles of association a mission statement and associated social, societal and environmental objectives that apply to third parties, and can therefore be invoked by customers, suppliers and employees. Danone's mission statement will be "Bringing health through food to as many people as possible", with objectives related to respect for the planet, health, social innovation and inclusive growth. Fulfilling this mission does not mean that the company disregards the interests of shareholders, as shown by the maintenance of the dividend for fiscal year 2019 during this period of crisis.

Air Liquide and the Port of Rotterdam have jointly taken the initiative to ensure that a thousand trucks in the Netherlands, Belgium and Germany can be supplied with hydrogen by 2025. For a thousand trucks to move, of which 500 are expected to leave through Rotterdam, it is essential to develop the infrastructure, including some 25 hydrogen filling stations, along the main transport corridors between the Netherlands, Belgium and Germany. The project also focuses on the electrolysis capacity needed to produce hydrogen. The companies participating in the initiative will jointly implement the feasibility study for the whole value chain.

At the end of July, the fund was 80% invested in equities and 20% in cash. The breakdown by currency was as follows: 40% in EUR, 22% in USD, 8.5% in JPY, 8% in SEK, 7.5% in CHF, 5% in GBP, 5% in CAD, 3% in DKK and 1% in HKD.

Investment Method

BL Sustainable Horizon is managed using a **bottom-up, conviction-based, long-term strategy** aimed at investing in high-quality companies with a **strong and tangible competitive advantage, solid growth prospects, an above-market-average ESG profile, and attractive valuations.**

The fund's management approach integrates extra-financial analysis (ESG) and financial analysis across a multi-dimensional investment process.

Extra-financial dimension:

1. Exclusions:

Companies involved in the production of controversial weapons and companies generating more than 5% of their revenues in highly controversial activities (tobacco, GMOs, weapons, alcohol, nuclear and fossil fuels, and gambling) are excluded from the portfolio.

2. Quantitative extra-financial analysis:

Quantitative E/S/G screening (MSCI ratings): only companies whose average rating is greater than or equal to 5 out of 10 and have no individual rating below 4 out of 10 are selected as eligible for investment.

3. Qualitative extra-financial analysis - themed segment:

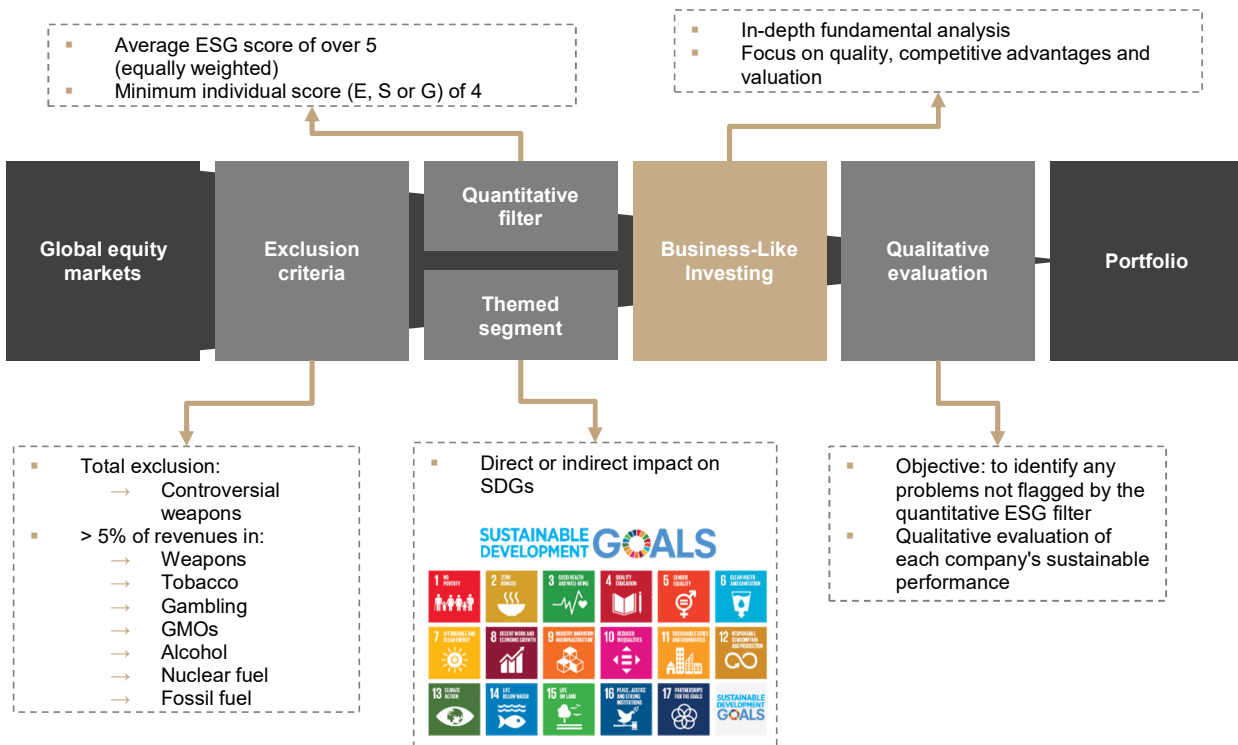
Selection of companies whose products or services contribute to reducing social and environmental imbalances. The UN's Sustainable Development Goals (SDGs) represent the core principle of this themed approach.

Financial dimension – Business-Like Investing:

Companies considered for inclusion in the portfolio must meet the following criteria:

1. The company's business model must be based on a strong and sustainable competitive advantage.
2. There is strong visibility on the company's capacity to generate free cash flow.
3. Capital is allocated in the best interest of shareholders and other stakeholders.
4. The valuation must not be excessive in relation to the company's estimated intrinsic value.

Schematic representation of the investment approach



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