

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: FFG Global Flexible Sustainable
Legal entity identifier: 549300ZIWU0E011GD443

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It made sustainable investments with a social objective: ___%	<input checked="" type="checkbox"/> It promoted environmental/social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 62.2% of sustainable investments <ul style="list-style-type: none"> with <input type="checkbox"/> an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU taxonomy <input type="checkbox"/> with a social objective <input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

In accordance with the objectives set out in its prospectus, the sub-fund has promoted the following environmental and social characteristics:

- Reducing carbon emissions
- Compliance with international human and labour rights standards
- Exclusion of controversial activities from a societal point of view
- Prioritising the selection of companies that are virtuous in environmental, social and governance terms
- Indirectly through Funds For Good, the fight against poverty through job creation



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● ***How did the sustainability indicators perform?***

- The intensity of the portfolio's weighted average carbon emissions (scope 1 + scope 2) was reduced by 78% compared to the reference benchmark. According to the investment policy, the intensity of the portfolio's weighted average carbon emissions (scope 1 + scope 2) must be at least 50% lower than the weighted average of carbon emissions of the reference benchmark representative of the initial investment universe of the sub-fund. In addition, on average 85% of the companies in the equity segment had a carbon emissions profile aligned with the Paris Climate Agreement.
- International standards on human and labour rights were respected by the portfolio companies: the issuing companies had to comply with at least the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the International Labour Organization standards and the OECD Guidelines for Multinational Enterprises.
- Exclusions relating to controversial activities from a societal point of view were respected;
- In addition, issuing companies had to have a minimum ESG score of BBB for developed markets and a minimum ESG score of BB for emerging markets. The average Labor Management Score of the portfolio was 50%. Any issuing company that was among the 5% of companies having the lowest Labor Management Score in the investment universe had to be removed from the investment universe of this Sub-Fund. These criteria were met.
- The investment in the fund made it possible, indirectly via Funds For Good, to combat poverty by creating around one hundred jobs in Europe (99 jobs created at the end of November 2023).

● ***...and compared to previous periods?***

- The reduction in the average carbon emission intensity relative to the reference benchmark was slightly better than last year (85% vs 80%). In addition, the share of companies in the equity segment with a carbon emissions profile aligned with the Paris Climate Agreement was significantly increased up to 85% compared with 67% during the previous period.
- International human and labour rights standards were also respected by the companies in the portfolio;
- Exclusions relating to controversial activities from a societal point of view were also respected;
- The criteria relating to the ESG score and the Labor Management Score were met.
- Funds For Good financed fewer projects than in 2022 (around a hundred versus 154). The unfavourable market conditions for Funds For Good reduced its income and therefore its ability to finance entrepreneurial projects.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The Sub-Fund invested at least 30% of its net assets in "sustainable assets", i.e. financial securities (equities and/or bonds) issued by companies contributing to the sustainable investment objective. The Sub-Fund is expected to invest, under normal market conditions, between 50% and 60% of its net assets in sustainable assets.

In reality, on average 85% of the companies in the equity segment had a carbon emissions profile aligned with the Paris Climate Agreement. This corresponds to 62.2% of the fund's net assets.

The sustainable investment objective promoted by the Fund's investments was to contribute to the long-term temperature objective of the Paris Agreement, which is to keep

the global average temperature increase well below 2°C above pre-industrial levels and preferably limit the increase to 1.5°C, by the end of the 21st century. Any company that met at least one of the following three criteria was considered to be contributing to the sustainable investment objective:

1) The company's current carbon intensity has been compatible with an increase in global temperature maintained below 2°C by the end of the century.

2) the company has set emission reduction targets that have been approved by the Science Based Targets (SBTi) initiative, meaning that these targets are considered compatible with the Paris Agreement target of 2°C or below. These emission reduction targets set under this initiative are independently verified.

3) The company's current carbon intensity has not yet been compatible with an increase in global temperature maintained below 2°C by the end of the century, but the company's annual emission reductions (scope 1 and 2) are in line with those required for the current year to achieve net zero emissions by mid-century and limit the increase in global temperature to below 2°C by the end of the century.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

How were the indicators for adverse impacts on sustainability factors taken into account?

In its analysis of the 14 mandatory PAIs applicable to private issuers, the manager identified nine numerical indicators and five binary indicators. The manager also selected one additional numerical indicator and one additional binary indicator, which were treated in the same way as the mandatory indicators.

For each of the mandatory and additional numerical indicators used, the manager has defined thresholds above which it is considered that there is "significant harm" to a sustainability objective. In order to treat all companies fairly, each one was compared with its peers in the same GICS sector and geographical region. The manager has set the "Do No Significant Harm" (DNSH) threshold for each numerical indicator at the limit of the 5th quintile of values for all companies in the same sector and geographical region. Thus, an issuer has passed the DNSH test for a PAI if it is among the top 80% of issuers in its sector and geographical region.

The five mandatory binary indicators are examined individually. The information reported by the binary PAIs reflects basic concepts that any company will have to respect in order to claim that no significant harm has been done to another sustainability objective.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding principles on Business and Human Rights? Details:

The manager has excluded companies that do not comply with international human rights or labour standards as defined by the United Nations Global Compact. In practice, companies that did not comply with the United Nations Global Compact, did not comply with the United Nations Guiding Principles on Business and Human Rights, did not comply with the principles and rights set out in the International Labour Organisation Declaration and the International Bill of Human Rights, or which were highly controversial, were excluded.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The manager relied on an internal methodology taking into account PAIs. This is available on the fund manager's website: www.banquedeluxembourginvestments.com, under the "Responsible Investment" tab.

It used data provided by MSCI ESG Research, an independent external data provider.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.

The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.



How did this financial product consider principal adverse impacts on sustainability factors?

- Greenhouse gas emissions – The portfolio's weighted average of carbon emissions (scope 1 and scope 2) was at least 50% lower than the weighted average of carbon emissions of its reference benchmark, the MSCI Europe.
- Intensity of greenhouse gas emissions: The weighted average carbon intensity (scope 1 and scope 2) of the securities of companies in the portfolio was at least 50% lower than the weighted average carbon intensity of a reference benchmark representative of the investment universe of the equities part of the portfolio.
- Fossil fuel exposure: the Sub-Fund has not invested in equities or bonds of companies that derive more than 5% of their revenues from fossil fuel-related activities.
- Breaches of the principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for multinational enterprises: breaches were not tolerated.
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons): zero tolerance is applied to exposure to controversial weapons. The Sub-Fund has not invested in equities or bonds of companies exposed to controversial weapons.
- For sovereign securities – Invested countries that are subject to social violations: the Funds For Good responsible investment policy excludes certain countries from its investment universe and these are placed on its exclusion list. Exclusion criteria relating to social violations applied to States include the ratification of international treaties relating to human rights and labour rights and the "free" or "not free" nature of the State, as judged by Freedom House. The exclusion of states that do not meet these criteria has reduced the risk of investing in states that present a risk of social violations.

What were the top investments of this financial product?



The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:

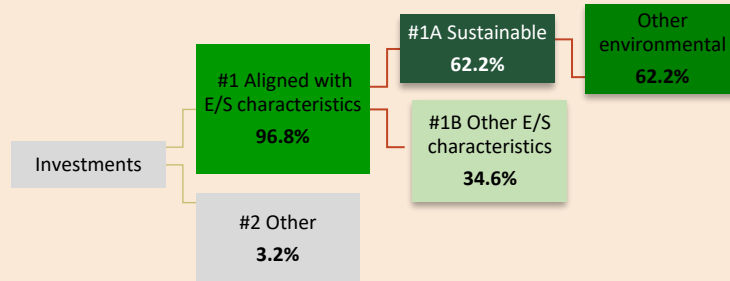
	Largest investments	Country	Sector	% Assets
SHARES	Roche Holding AG	Europe - ex Euro	Healthcare	6,47%
	Reckitt Benckiser Group PLC	United Kingdom	Consumer Defensive	3,50%
	SECOM Co Ltd	Japan	Industrials	3,34%
	KONE Oyj Class B	Eurozone	Industrials	3,13%
	Hong Kong Exchanges and Clearing Ltd	Asia - Developed	Financial Services	3,09%
	Novartis AG Registered Shares	Europe - ex Euro	Healthcare	2,93%
	Nintendo Co Ltd	Japan	Communication Services	2,81%
	Nabtesco Corp	Japan	Industrials	2,45%
	Taiwan Semiconductor Manufacturing	Asia - Developed	Technology	2,44%
	Givaudan SA	Europe - ex Euro	Basic Materials	2,38%
	Coway	Asia - Developed	Consumer Cyclical	2,35%
	GSK PLC	United Kingdom	Healthcare	2,32%
	Samsung Electronics Co Ltd	Asia - Developed	Technology	2,31%
	Recruit Holdings Co Ltd	Japan	Industrials	2,26%
	SGS AG	Europe - ex Euro	Industrials	2,24%
BONDS	United States Inflation-Linked USD (2020-2050)	North America	Government Bonds	4,90%
	United States 1,25% USD (2020-2050)	North America	Government Bonds	3,81%
	United States 2,25% USD (2019-2049)	North America	Government Bonds	3,77%
	United States 2,00% USD (2021-2051)	North America	Government Bonds	3,63%
	United States 2,75% USD (2022-2032)	North America	Government Bonds	3,41%
	United States 3,88% USD (2023-2043)	North America	Government Bonds	3,30%



What was the proportion of sustainability-related investments?

● What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- the sub-category **#1A Sustainable** covers environmentally and socially sustainable investments;
- the sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments

● In which economic sectors were the investments made?

Sector	Weight (%)	Sub-sector	Weight (%)
Basic Materials	6,84	Chemicals	6,84
Communication Services	5,49	Interactive Media	5,49
Consumer Cyclical	2,99	Furnishings, Fixtures & Appliances	1,56
		Retail - Cyclical	1,42
Consumer Defensive	7,31	Consumer Packaged Goods	5,54
		Beverages - Alcoholic	1,77
Financial Services	2,60	Capital Markets	2,60
Healthcare	28,31	Drug Manufacturers	14,40
		Medical Devices & Instruments	8,47
		Medical Diagnostics & Research	3,51
		Biotechnology	1,93
Industrials	25,82	Industrial Products	12,89
		Business Services	9,08
		Transportation	1,96
		Construction	1,90
Technology	19,35	Semiconductors	7,47
		Hardware	5,98
		Software	5,91



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

This Sub-fund has not targeted sustainable investments within the meaning of Article 17(2) of Regulation 2019/2088 and has not committed to a minimum alignment with the EU Taxonomy Regulation, as the Investment Manager has not been able to reliably determine the precise extent to which the Sub-fund's investments have been made in activities aligned with the EU Taxonomy or enabling and transitional activities. The alignment could not be reliably calculated.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy^{1?}**

Yes:

In fossil gas In nuclear energy

No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

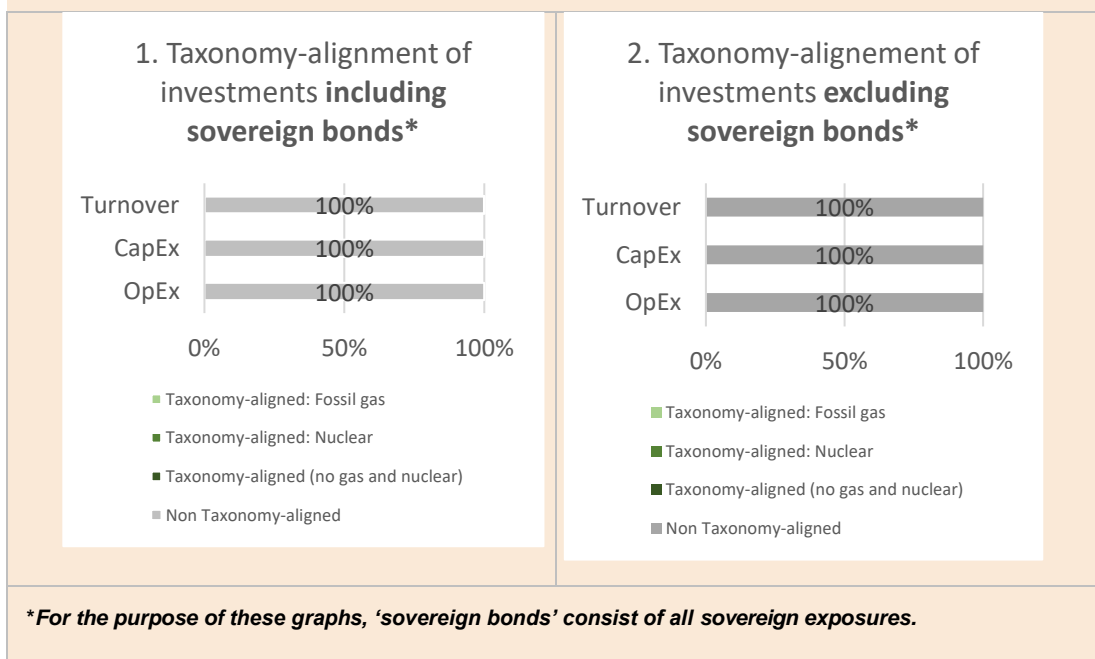
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies;
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy;
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



● **What was the share of investments made in transitional and enabling activities?**

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

N/A

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

62.2% of the fund's net assets, i.e. all of the fund's sustainable investments.



What was the share of socially sustainable investments?

The sub-fund has not made any socially sustainable investments.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The investments included under the heading "#2 Other" were investments in cash, bank deposits, money market instruments, money market funds or other eligible liquid assets, or investments for hedging purposes. There were no minimum environmental or social guarantees for these investments.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Before each investment and every month after the investment, the investment manager monitored how consistent the securities in the portfolio were with the environmental and/or social characteristics promoted.

In accordance with its engagement policy, the investment manager (Banque de Luxembourg Investments) contacted certain companies in the portfolio. For equities and bonds, engagement is triggered in the event of a lack of transparency on certain information, in the event of questionable behaviour with respect to certain sustainability themes, or when an engagement campaign is launched on a specific issue. The engagement was carried out either individually (direct contacts with the company concerned and voting/resolutions at general meetings) or collaboratively (via engagement platforms).

More information can be found at:

<https://www.banquedeluxembourginvestments.com/en/bank/bli/our-company/responsible-investing>



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



How did this financial product perform compared to the reference sustainable benchmark?

The sub-fund does not have a reference sustainable benchmark.

- ***How does the reference benchmark differ from a broad market index?***
N/A
- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***
N/A
- ***How did this financial product perform compared with the reference benchmark?***
N/A
- ***How did this financial product perform compared with the broad market index?***
N/A

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.