

A low-angle, upward-looking photograph of several modern skyscrapers with glass and steel facades. The buildings converge towards the top of the frame, creating a sense of height and scale. The sky is filled with soft, white and grey clouds. The overall color palette is dominated by the blues of the sky and the greys and silvers of the buildings.

# BG SELECTION SICAV

**BG** FUND  
MANAGEMENT  
LUXEMBOURG



## Sustainability-related product disclosure

*(as per Article 10 (1) of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial services sector ("SFDR"), financial market participants shall publish and maintain on their websites the following information)*

Disclosure Requirement SFDR Article 10 (1)	Disclosure
a) A description of the environmental or social characteristics or the sustainable investment objective;	This Sub-fund promotes, among other characteristics, environmental and social characteristics, provided that the target investments' issuers follow good governance practices, and qualifies under Article 8(1) of Regulation (EU) 2019/2088 on sustainability-related disclosure requirements in the financial services sector.
b) Information on the methodologies used to assess, measure and monitor the environmental or social characteristics or the impact of the sustainable investments selected for the financial product, [...]	The Sub-fund invests mainly in other UCI and UCITS that invest without any geographic limitation in equities issued by medium and small companies, whose securities' selection takes into account profitability criteria as well as environmental, social responsible and governance criteria ("ESG"), as per the screening criteria described below.
b) [...] including its data sources, [...]	External data sources
b) [...] screening criteria for the underlying assets and the relevant sustainability indicators used to measure the environmental or social characteristics or the overall sustainable impact of the financial product;	<p>The target funds' selection is principally based on their qualification under Article 8(1) or Article 9 of Regulation (EU) 2019/2088 as well as on the investment manager's assessment of and due diligence performed on the investment process applied therein with the aim to ensure the integration of binding ESG criteria (such as but not limited to the environmental policy adopted by the target issuers; the environmental impact of the products or services offered; the resource efficiency; human rights; human capital development; community engagement; corporate governance structure; shareholders relations; business ethics etc.) on an ongoing basis, and thus will focus on:</p> <ul style="list-style-type: none"> <li>(i) ETFs on major ESG and/or Sustainable and Responsible Investment ("SRI") indices, designed to ensure the binding inclusion of the best-in class companies from an ESG and SRI perspective and/or to exclude the ones involved in sectors or whose products or activities may have the potential for negative social or environmental impact;</li> <li>(ii) UCITS and/or UCI which adhere to binding ESG criteria and incorporate them in their investment decisions through a systematic process (based on, but not limited to, ESG research, screening, ratings, provided by external data providers and/or internal research, and/or on exclusion policies) with the aim to select issuers with strong ESG practices and/or to exclude the ones potentially exposed to ESG controversies or involved in specific activities (such as but not limited to weapons and cluster munitions, tobacco or coal industries);</li> <li>(iii) UCITS and/or UCI, including ETFs, whose investment strategies target specific themes related to ESG factors (such as but not limited to climate change, clean energy, clean technology, water sustainability and gender equality) aiming to select the issuers that most benefit from them.</li> </ul> <p>Concerning the ancillary direct investments in fixed income and equity securities, securities' issuers are subject to an ESG analysis on the basis of binding ESG criteria with the aim to exclude the ones exposed to ESG controversies or involved in specific activities (being at least weapons, cluster munitions, tobacco, coal industries, gambling, adult entertainment), in compliance with the exclusion policy adopted by the investment manager, and to retain the ones that meet minimum standard in terms of the ESG ratings used to assess their ESG profile and based on the proprietary methodology of an external advisor and ranging from 1 to 5 (5 being the best rating). The Investment Manager shall consider the development of the ESG characteristics of existing investments in target funds and transferable securities on an ongoing basis. Further to negative changes in such ESG characteristics the Investment Manager may, depending on the change in the ESG characteristics, decide to partially or totally divest the concerned investments, always acting in the best interests of the Sub-fund's final investors.</p> <p>The Sub-fund has not designated a reference benchmark for the purpose of the Regulation (EU) 2019/2088</p>
c) The information referred to in Articles 8 and 9; (i.e. pre-contractual disclosure)	See above.

Source of information: Prospectus BG SELECTION SICAV – Appendix C, Investment policy of the Sub-fund