

**Information on  
Article 8 products according to  
Regulation (EU) 2019/2088**



Flossbach von Storch

## PRELIMINARY REMARK

Regulation (EU) 2019/2088 ("Disclosure Regulation" or "SFDR") requires financial market participants, including investment firms providing portfolio management services, UCITS management companies and alternative investment fund managers, to disclose information for increased transparency, including in relation to sustainability risk management strategies and potential or identified adverse sustainability impacts.

## ARTICLES 8, 10, 11 OF THE SFDR: TRANSPARENCY IN THE PROMOTION OF ENVIRONMENTAL OR SOCIAL FEATURES

All Flossbach von Storch sub-funds promote environmental and social features and are classified as Article 8 products under the SFDR. A list of all Flossbach von Storch sub-funds can be found at <https://www.flossbachvonstorch.de/en/funds/fund-overview/> or on the corresponding country-specific websites of Flossbach von Storch Invest S.A. at [www.fvsinvest.lu](http://www.fvsinvest.lu).

The investment strategy determines the process as well as evaluation methods for selecting the Fund's investments in order to ensure the fulfilment and consideration of environmental and social characteristics. The investment strategy is based on the generally applicable sustainability approach of ESG integration as well as the participation and exercise of voting rights of the FVS Group. In addition, categories of companies in which investments may not be made are defined throughout the Group, taking into account ESG criteria for sustainable financial instruments. The investment decisions here are based on screening against an exclusion list, which is continuously assessed and updated monthly on the basis of internal and external ESG research data. Monitoring of compliance with the exclusion criteria takes place at both pre- and post-trade level. The exclusion list is based on the following requirements. Direct or indirect investments in financial products relating to companies with the following turnover thresholds are excluded:

>10% in relation to the production and distribution of military weapons (>0% in relation to outlawed weapons),

>5% in relation to tobacco production,

>30% in relation to the production and distribution of thermal coal.

Exclusion is also applied to companies with serious violations of the principles of the United Nations Global Compact and to state issuers with an insufficient score on the Freedom House Index.

In addition, the Flossbach von Storch - Foundation Sub-Funds reflect a broader consensus of values in a non-profit sense. Further categories of companies beyond the group-wide defined exclusions are defined within the framework of the sub-fund-specific investment policy in which investments may not be made. The monitoring of compliance with the exclusions is carried out analogously. Thus, direct



or indirect investments in relation to financial products that relate to companies with the following turnover thresholds are additionally excluded:

>5% in relation to the provision of gambling services,

>5% in relation to the production of alcoholic beverages.

The investment policy shall take into account the principal adverse impacts of investment decisions on sustainability factors in accordance with Article 7 No. 1 a) of Regulation (EU) 2019/2088. Efforts will be made to identify and document the information on, assessment and prioritisation of the principal adverse impacts on sustainability factors to the best of our ability.

The focus is on working towards a reduction through a dedicated engagement policy for, among other things, the indicators greenhouse gas emissions Scope 1 & 2, the share of non-renewable energy sources, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises, or the reduction or avoidance through exclusions of investments in companies that are involved, for example, in the production or distribution of controversial weapons. If one of the portfolio companies does not adequately address the PAI indicators identified as particularly negative, this is addressed with the company and attempts are made to work towards a positive development. If the management does not take the necessary steps for improvement to a sufficient extent, voting rights are exercised, the holding is reduced or sold.

Information on the extent to which the environmental and social characteristics for financial products under Article 8 (1) of the SFDR have been met will be explained in the annual reports of the Sub-Funds after an appropriate reference period.

## **Publisher**

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