

**Premium Selection UCITS ICAV**

**Julius Baer Edelweiss Swiss Equity – a sub fund of Premium Selection UCITS ICAV– SFDR Disclosures Summary Document– 07/06/2024**

**Sustainable Investment Objective**- The Fund promotes environmental or social characteristics but does not have as its objective a sustainable investment.

**Environmental/Social Characteristics of the Fund**- The Fund promotes the following environmental and social characteristics: \*Climate change mitigation and adaption; \*Preservation of biodiversity; \*Sound employee conditions;\*Respect of global norms standards.

To ensure that the Fund maintains its ESG profile the Fund is required to invest in instruments that comply with the Investment Manager’s proprietary **Sustainable Investment Rating Methodology** thresholds.

The manager uses a Climate Score that addresses the question of greenhouse gas emissions and an investee company's exposure to the shift towards a net-zero world. The basis of the Climate Score is scope 1 and scope 2 carbon emission intensity (which are principal adverse impact indicators) representing carbon emissions scaled to an investee company’s size. The Natural Capital Score addresses the topics of biodiversity, pollution, and allows for identifying companies with a significant exposure to, and impact on, environmental issues beyond climate. The Global Norms Score focuses on investee companies’ operations and their compliance with globally accepted norms of human rights, labour rights, and responsible business practice. The Human Capital Score covers employee conditions and development, workplace policies.

**Investment Strategy for the Fund.** The Fund primarily invests in shares of Swiss companies, which are listed in the SPI and denominated in CHF. It is expected that the investable universe will be about 80-100 stocks. The portfolio mainly comprises of two asset classes, namely cash and equities and is almost exclusively built from single stocks.

 **Methodologies used to measure the attainment of the social or environmental characteristics-** The Fund promotes environmental or social characteristics by investing in instruments that comply with the Investment Manager’s proprietary Sustainable Investment Rating Methodology (the “Sustainable Investment Methodology”). The Sustainable Investment Methodology is structured at three levels:
(1) The first level is to gather unprocessed ESG data from various external data providers, as well as internal thematic research related to investment themes that are linked to sustainable objectives; (2) Then certain thematic scores are calculated out of the unprocessed ESG data and internal thematic research; (3) At the final level, four different ESG categories are derived using a combination of the thematic scores and certain indicators (processed ESG data such as ratings) provided directly by various ESG data providers. The four ESG categories derived from the process are *“ESG Risk”, “Traditional”, “Responsible” and “Sustainable”.*
 **Proportion of Investments with Environmental/Social Characteristics**- At a minimum 70% of the Fund’s assets must always be invested in financial instruments categorised by the Investment Manager as Responsible or Sustainable.
**Binding Elements of the Investment Strategy**- The Fund promotes environmental and social characteristics by investing at least 70% of the Fund’s assets in financial instruments categorised by the Investment Manager as Responsible or Sustainable. The remaining 30% in financial instruments categorised as Traditional or In financial instruments that do not have an ESG category assigned by the Investment Manager. In any instrument approved by the Exception Committee.

**Monitoring of the Environmental/Social Characteristics**- The Investment Manager has implemented the assessment of Sustainability Risks within the investment decision-making process for the Fund, both at the initial due diligence stage of the investment process and as part of the ongoing monitoring of the Fund’s investments. The integration of Sustainability Risk assessments to actual investment decisions aims to ensure that Sustainability Risks are considered similarly to all other risks that are integrated in the investment decision-making process.

**Limitations to data and methodologies**- Assessment of Sustainability Risks is complex and may be based on ESG data provided by external data providers based on the data providers’ proprietary methodologies. ESG data including ratings may not be accurate, complete, up-to-date and/or continuously available and, for certain issuers, may be difficult to obtain, depending on the level of transparency of the issuer and publicly available information.

**Due Diligence Process and engagement**- Any investment to be considered for investment is firstly subject to due diligence by the Investment Manager’s fund research analysts, resulting in a buy-list of approved funds covering all asset classes, regions and specific themes. These buy-lists will be used by the Investment Manager who will then select the individual investments for investment by the Fund at its discretion, following the same process and methodology as it applies to all investments and securities selections to get exposure to the various asset classes represented in the tactical asset allocation of the Fund.

**Impact of Sustainability Risks on the returns of the Fund**- Sustainability Risk factors are generally mid to long-term investment risks, that can also materialise in the short-term. They may materialise along any of the three dimensions: environmental, social and/or governance risks. As an example, Sustainability Risks may materialise as issuer-specific extreme loss-risks. Such issuer-specific Sustainability Risk events typically happen with low frequency and probability but may have high financial impact and may lead to significant financial loss for the Fund. The Investment Manager acknowledges that the Fund’s exposure to Sustainability Risks is evolving over time and shall keep the Fund’s exposure to these risks under monitoring.

**Principal Adverse Impacts-** The Investment Manager and the Manager will not be considering the potential adverse impacts of investment decisions on Sustainability Factors for this Fund at present. As the Fund does not promote environmental or social characteristics or have Sustainable Investment as its objective, it has been decided that the Investment Manager and the Manager will not seek to measure such adverse impacts on Sustainability Factors

**Benchmark**- The Fund is actively managed by the Investment Manager and the Fund is not constrained by reference to any index. The Fund uses a benchmark, *MSCI Switzerland Net Total Return Local Index*, for performance comparison purposes only and the Investment Manager has broad discretion to deviate from the Benchmark’s constituents, weightings and risk characteristics within the Fund’s objective and investment policy. The degree to which the Fund may resemble the composition and risk characteristics of the Benchmark will vary over time and the Fund’s performance may be meaningfully different from, or more closely aligned with, that of the Benchmark.

*Further details on the investment strategy employed by the Investment Manager to achieve the Fund’s sustainable investment objective can be found at – https://www.threerockcapital.com/sfdr-disclosure/*