

DYNASTY SICAV

Société d'investissement à capital variable
Registered Office: 33A, Avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg: B186656
(the "Fund")

Notice to shareholders of Dynasty Global Convertibles (the "Sub-Fund")

Luxembourg, September 1st 2021

Dear Shareholder,

The board of directors of the Fund (the "**Board**") would like to inform you about its decision to enhance the disclosures related to the investment policy of the Sub-Fund in view of its classification as an Article 8 financial product under Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("**SFDR**"), meaning that it will promote, among other characteristics, environmental and/or social characteristics, provided that the companies in which the investments are made follow good governance practices. As a result, the Sub-Fund will be no longer be categorised as Article 6 of the SFDR.

SFDR was adopted to provide greater transparency on the degree of sustainability of financial products, primarily through the introduction of well-defined disclosure requirements on ESG and sustainability characteristics. The new regulation provides a framework for investors to assess and compare ESG and sustainability criteria in their funds and reflects the changing investment landscape shaped by growing investor interest in ESG considerations.

The disclosures of the prospectus of the Fund (the "**Prospectus**") related to the responsible investment policy as applied by the Sub-Fund's management company in view of its classification as an Article 8 financial product have been amended accordingly.

The section "Sustainability Risks" of the general part of the Prospectus will be amended as follows (changes are underlined below):

"Sustainability Risks

[...]

*The Sub-Funds **Dynasty High Yield 2026**, **Dynasty Euro Yield**, **Dynasty Bond Euro Short Term** and **Dynasty Corporate Bonds 0-2.5** do not promote environmental or social characteristics, and do not have as objective sustainable investment (as provided by Articles 8 or 9 of Regulation (EU) 2019/2088*

on sustainability-related disclosures in the financial services sector ("SFDR"). The investments underlying these Sub-Funds do not take into account the EU criteria for environmentally sustainable economic activities.

The Sub-Funds Dynasty Convertibles Europe, Dynasty Global Convertibles and Dynasty Credit Sub do promote environmental or social characteristics (as provided by Article 8 of SFDR).

Environmental and Social Characteristics are met (as further detailed in the Management Company's ESG policy):

- Through the seamless integration in the Management Company's analyses, investment and portfolio construction process of Environmental, Social and Governance Factors. The Management Company will, to its best effort, collect and analyse all publicly available data deemed relevant to assess the potential of an investment in a company and/or security in achieving the Sub-Funds' investment objective. This data will include but may not be limited to financial data from financial service providers (e.g. balance sheet, income statements, market projections, marketing analyses...), analyses from market participants, data collected through interviews with the company's directors or anything else deemed relevant by the managers of the Sub-Funds. This data will include data relating to environmental, social and governance issues as provided by the Management Company's third party data provider or collected by the Management Company itself. This information will be used to assess the upside potential and downside risk of the potential investment in the achievement of the investment objective as it is recognised that ESG factors alongside financial factors may or may not have an impact, be it material or not, on a company's financial performance.
- ESG scoring and data are provided by third-party service providers and internal analyses of the Management Company. Although the Management Company largely relies on external data to provide ESG data and scoring, the Management Company recognises the fact that such data and analyses are mainly based on qualitative and not quantitative models and may, in the case a company is not yet scored by the external data provider, provide its own scoring in the meantime. Scorings provided internally by the Management Company cumulated with companies not scored on ESG factors may however not exceed a certain threshold of a Sub-Fund's assets.
- through the adoption of an upstream exclusion process on issuers from designated sectors and / or industries and / or involved in activities deemed not compliant with minimal environmental or social standards. Investments in companies that have as main activity thermal coal mining and extraction, tobacco production and/or gaming are excluded. These restrictions are applied pre-investment and are binding. They restrict the issuers the Management Company can invest in based on their involvement in certain economic activities; and
- through the monitoring and limitation of positions in companies involved in 'critical controversies' as defined by the Management Company's external provider of ESG data and analyses or internal analyses or a combination of both. The Management Company applies a binding special filter on companies subject to critical controversies in domains it considers such controversies to have the most impact (i.e. environmental strategy, climate change, waste, fundamental human rights and audit and internal controls). If the

controversy is linked to cluster munitions, controversial weapons, nuclear weapons, anti-personal mines or anti-personal landmines, the relevant company is not eligible for investment.

The Sub-Fund Dynasty Credit Sub's investment objective is to outperform its benchmark the BofA Merrill Lynch Euro Corporate Index (the "Benchmark") with an investment horizon of 3 years, less management fees. This Benchmark is calculated with coupons reinvested and is composed of 3750 corporate bonds denominated in Euro. It is representative of the market for investment grade corporate bonds in the Euro zone, across all sectors. Information on the Benchmark is available on the Internet (<https://indices.theice.com>). While the Benchmark is not used for the purpose of attaining the Sub-Fund's environmental or social characteristics, it may be used for comparing the Sub-Fund's ESG score. The ESG score of the Benchmark is the same as that of the Sub-Fund and considered robust (as of 28/07/2021).

For the Sub-Funds Dynasty Convertibles Europe and Dynasty Global Convertibles, no ESG benchmark is used for the purpose of attaining their environmental or social characteristics.

The Management Company is currently not in a position to consider principal adverse impacts of investment decisions on sustainability factors due to a lack of available and reliable data. The situation will however be reviewed going forward."

The Sub-Fund appendix in the Prospectus will be amended to state that the Sub-Fund promotes environmental and/or social characteristics (as provided by Article 8 of SFDR), as further described in the section "Sustainability Risks" of the Prospectus, and that it may be suitable for investors seeking to invest in a sub-fund that promotes certain ESG characteristics.

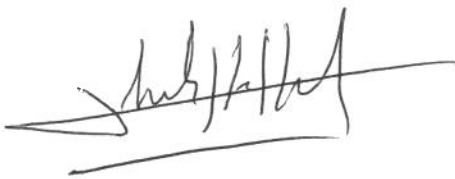
All key features of the Sub-Fund will remain the same. There will be no material change to the Sub-Fund's portfolio allocation, liquidity and risk profile.

The above modifications will be reflected in an updated version of the Prospectus and in the Sub-Fund's KIIDs. Drafts thereof are available upon request at the registered office of the Fund.

Terms not defined in this notice have the same meaning as in the Prospectus.

Please do not hesitate to contact us or your financial adviser if you require any further clarification.

Yours faithfully,



Philippe HALB
Chairman of the Board

