

ESG REPORT

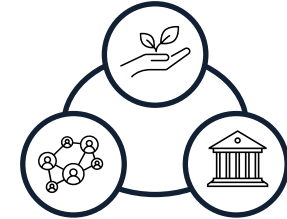
DYNASTY GLOBAL CONVERTIBLE



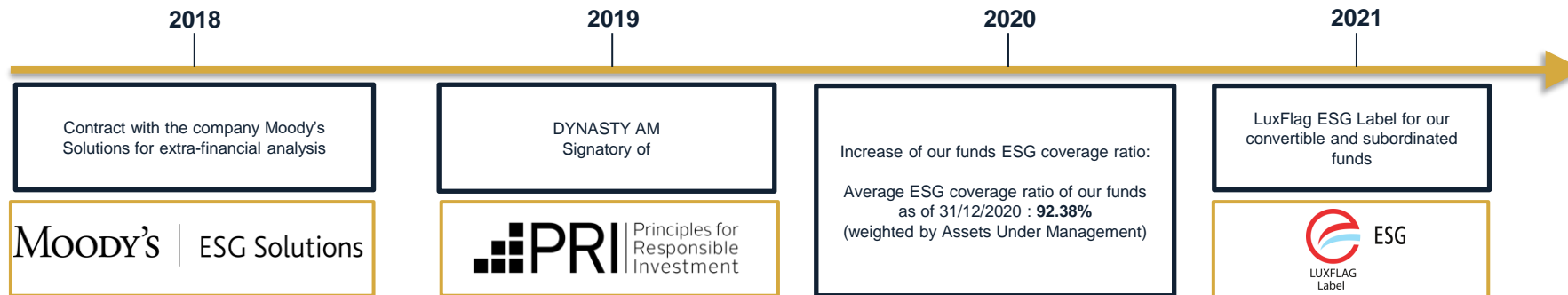
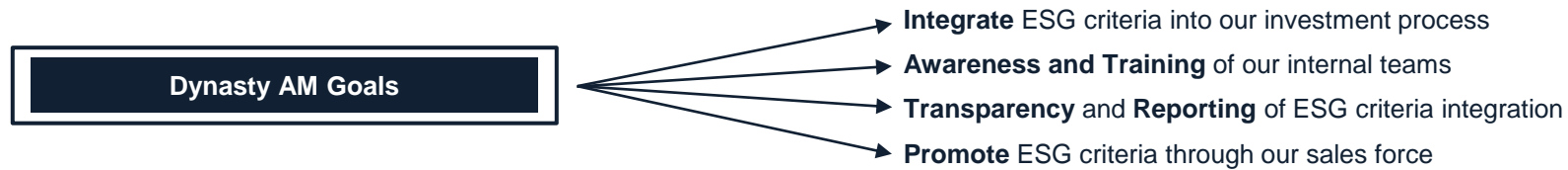
30th April 2024

ESG POLICY

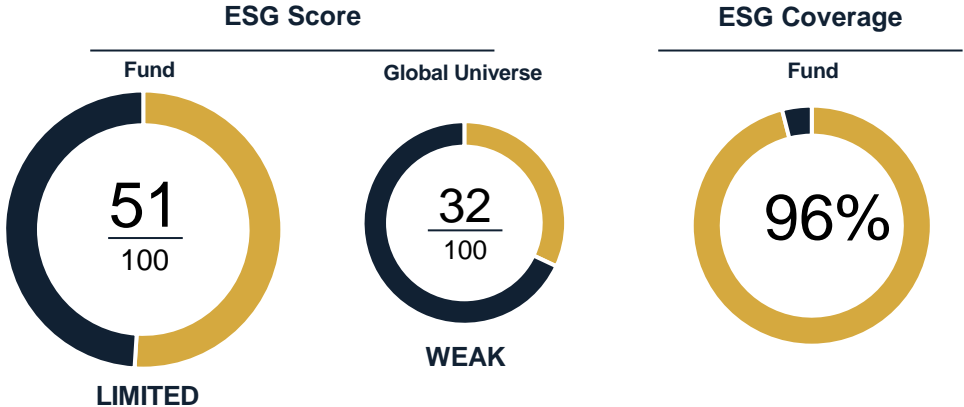
Dynasty AM S.A.'s **ESG (Environment, Social and Governance)** philosophy is based on the principle that there is a positive correlation between taking into account extra-financial criteria and generation of added value. We therefore aim to obtain the best long-term risk- return ratio for our clients, **by incorporating ESG criteria into our financial analysis.**



Objectives established by the working group were determined using the PRI Principles:



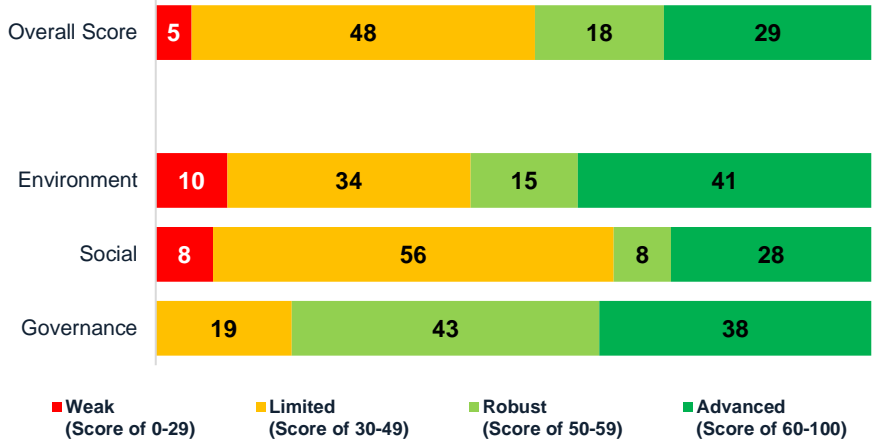
DYNASTY GLOBAL CONVERTIBLES



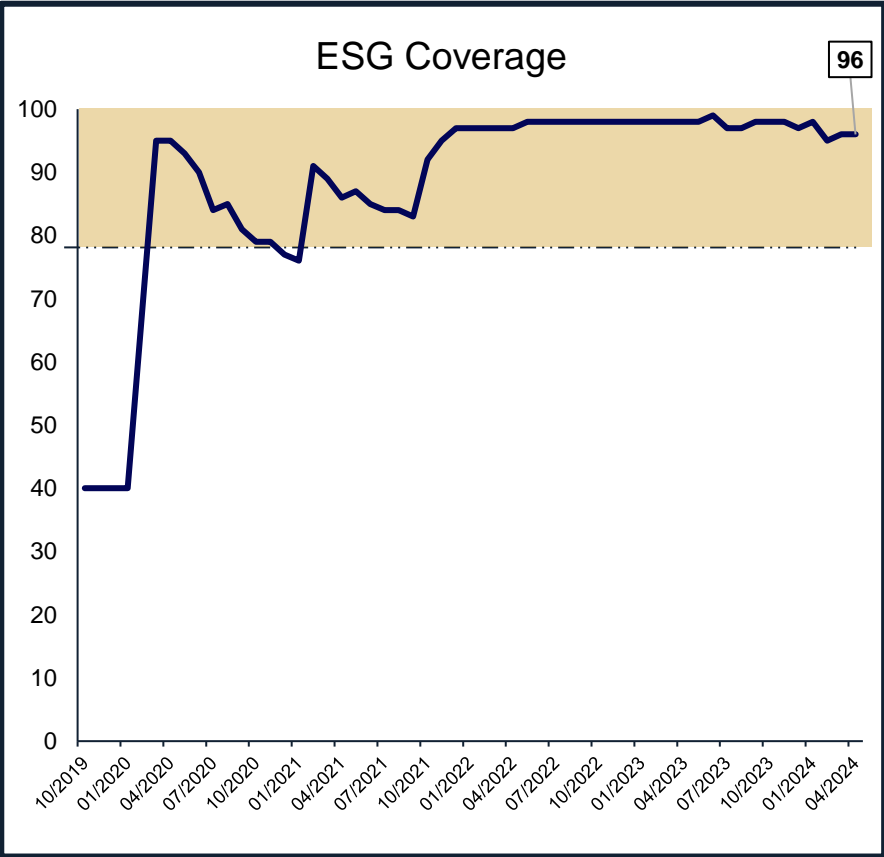
Overall and Domain Scores

	Average
Overall	51
Environment	52
Social	48
Governance	56

ESG Score Breakdown (% investment)



DYNASTY GLOBAL CONVERTIBLES



DYNASTY GLOBAL CONVERTIBLES

5 highest rated ESG positions

Rank	Holding Name	Portfolio Weight	Sector (GICS)	Rating
1	Enel 0% 2024	0.3%	Utilities	Advanced
2	Danone 1.250% 2024	0.8%	Cons. Non-cyclical	Advanced
3	Schneider Electric 1.97% 2030	3.0%	Industrial	Advanced
4	EDF 4.625% 2024	0.5%	Utilities	Advanced
5	Bureau Veritas	2.5%	Industrial	Advanced

5 lowest rated ESG positions

Rank	Holding Name	Portfolio Weight	Sector (GICS)	Rating
1	Voyageurs du Monde 3.0% 2028	0.2%	Consumer, Cyclical	Weak
2	Digi Communications 2.5% 2025	0.04%	Communications	Weak
3	Liberty Media 2.250% 2027	0.4%	Communications	Weak
4	Kingsoft 0.625% 2025	0.6%	Technology	Weak
5	Spotify 0% 2026	0.4%	Communications	Weak



DYNASTY GLOBAL CONVERTIBLES

5 largest positions

Rank	Holding Name	Portfolio Weight	Sector (GICS)	Rating
1	Schneider Electric 1.970% 2030	3.0%	Industrial	Advanced
2	Rheinmetall 2.25% 2030	2.9%	Industrial	Limited
3	Pioneer Natural Resources 0.25% 2025	2.9%	Energy	Limited
4	Artemis / Puma 0% 2025	2.7%	Cons. Cyclical	Robust
5	ON Semiconductor 0.5% 2029	2.7%	Technology	Limited



DYNASTY GLOBAL CONVERTIBLES

We will implement a formal upstream **exclusion policy** on our **article 8** investable universe that will formally prohibit investments in companies that have as main activity :

- Thermal coal mining and extraction



- Tobacco production



- Gambling



We also comply with the U.S. Executive Order 13959 “Addressing the Threat from Securities Investments that Finance Communist Chinese Military Companies”

EXCLUSION

Thermal coal mining and extraction

Holding Name	ISIN	Portfolio Weight
None in portfolio		

Tobacco production

Holding Name	ISIN	Portfolio Weight
None in portfolio		

Gambling

Holding Name	ISIN	Portfolio Weight
None in portfolio		

Chinese Military-Industrial Complex

Holding Name	ISIN	Portfolio Weight
None in portfolio		

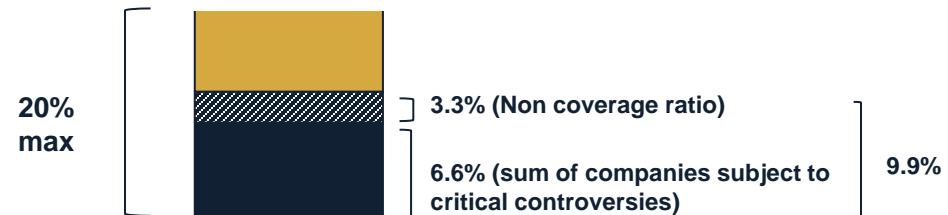


DYNASTY GLOBAL CONVERTIBLES

We have decided to include a **special filter** on companies subject to critical controversies (i.e., the most severe) in domains we consider to be the most impacting.

These domains are :

- (1) Environmental Strategy
- (2) Climate Change
- (3) Waste
- (4) Fundamental Human Rights
- (5) Audit and Internal Controls






Companies subject to critical controversies*

Holding Name	Portfolio Weight	Sector (GICS)	Domains impacted by the critical controversy
Volkswagen 3.375% Perp (Call 2024)	0.9%	Consumer, cyclical	5
Uber 0.375% 2024 / 0% 2025	3.8%	Communications	4 - 5
Glencore 0% 2025	0.9%	Basic Materials	2 - 3
Bayer 0.375% 2024	1.0%	Consumer, non-cyclical	5
Shell 0.750% 2024	0.1%	Communications	1 - 2 - 3 - 4

*These companies will remain investable, but the sum of these investments may not exceed a ratio of **10%** of the portfolio in case the investment universe is European or **20%** of the portfolio if the investment universe is global. Furthermore, these ratios are to be cumulated within the non-coverage ratios.

DYNASTY GLOBAL CONVERTIBLES

If the **critical** controversy is linked to one of the following **sub domains** the company is not eligible for investment and if the company is subject to the controversy whilst already in the portfolio the fund manager has **3 months** to sell the position, whilst the company will be added to the list of **excluded investments**.

- Cluster Munitions

- Controversial Weapons

- Nuclear Weapons

- Anti Personal Mines

- Anti Personal Landmines


EXCLUSION

Cluster Munitions

Holding Name	ISIN	Portfolio Weight
None in portfolio		

Anti Personal Mines

Holding Name	ISIN	Portfolio Weight
None in portfolio		

Controversial Weapons

Holding Name	ISIN	Portfolio Weight
None in portfolio		

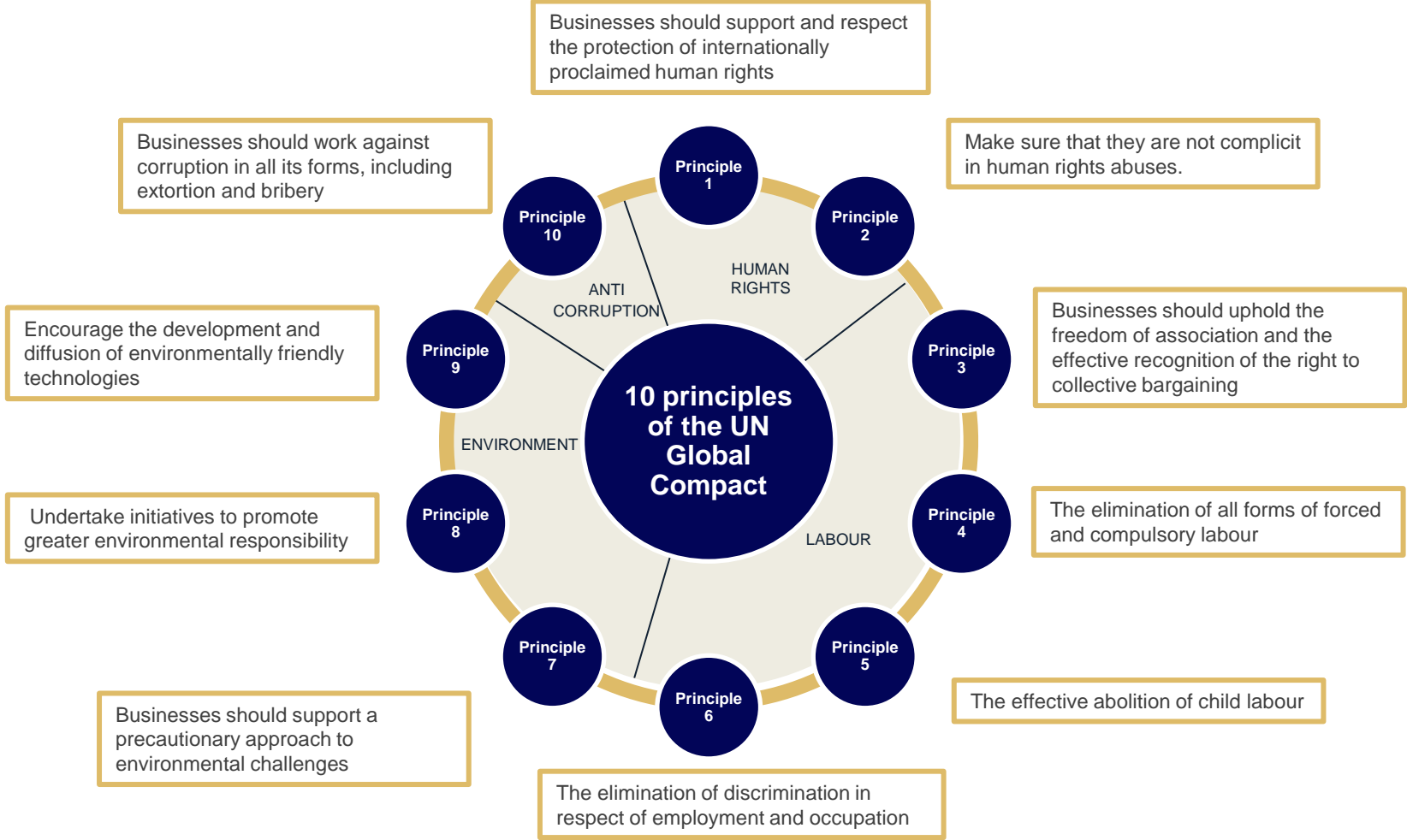
Anti Personal Landmines

Holding Name	ISIN	Portfolio Weight
None in portfolio		

Nuclear Weapons

Holding Name	ISIN	Portfolio Weight
None in portfolio		

DYNASTY GLOBAL CONVERTIBLES



DYNASTY GLOBAL CONVERTIBLES

We associated each **principle** to a specific **analysis' criteria**:

- Principle 1 and 2: Human Rights → Fundamental Human Rights
- Principle 3: Human Resources → Social Dialogue
- Principle 4 and 5: Human Rights → Child and Forced Labour
- Principle 6: Human Rights → Non-Discrimination
- Principle 7 and 8: Environment → Environmental Strategy
- Principle 9: Environment → Use and Disposal of Products
- Principle 10: Business Behaviour → Corruption

If a company has a **controversy** linked to one of these criteria and the status of the controversy in question is considered “**Critical**”, an **engagement process** shall be undertaken with companies.

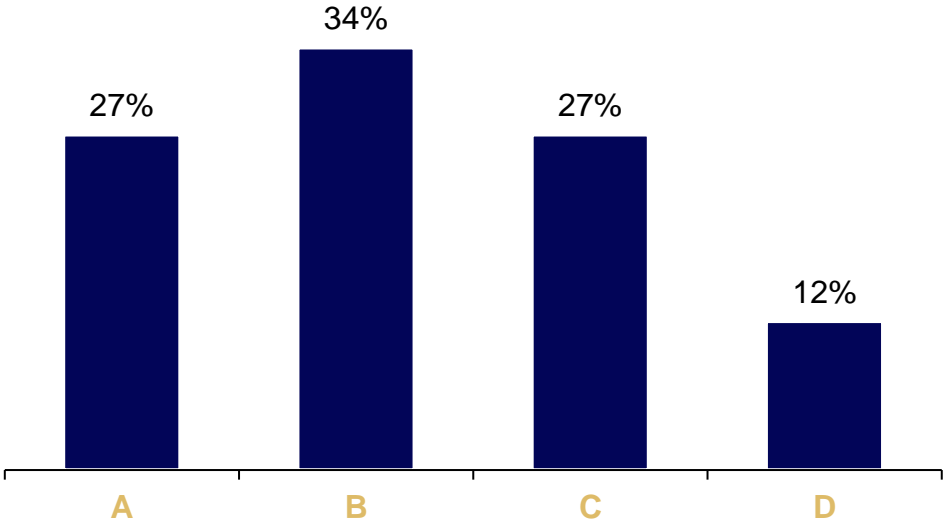
If this engagement does not lead to the desired change in a period of **2 years** from the **start** of this engagement, the company will join our **Global Compact Exclusion List**.

Holding Name	Portfolio Weight	UN Global Compact principle	Dynasty AM Status	Start of engagement	Time remaining below 2 years ?
Volkswagen 3.375% Perp (Call 2024)	0.9%	Principles No. 9	Not Active		
Uber 0% 2025 / 0.875% 2028	3.8%	Principles No. 1, 2	Not Active		
Glencore 0% 2025	0.9%	Principles No. 1, 2	Ongoing Controversy	31/01/2022	No
Bayer 0.375% 2024	1.0%	Principles No. 9	Not Active		
Shell 0.750% 2024	0.1%	Principles No. 7,8	Not Active		



DYNASTY GLOBAL CONVERTIBLES

Carbon Footprint (of investments)

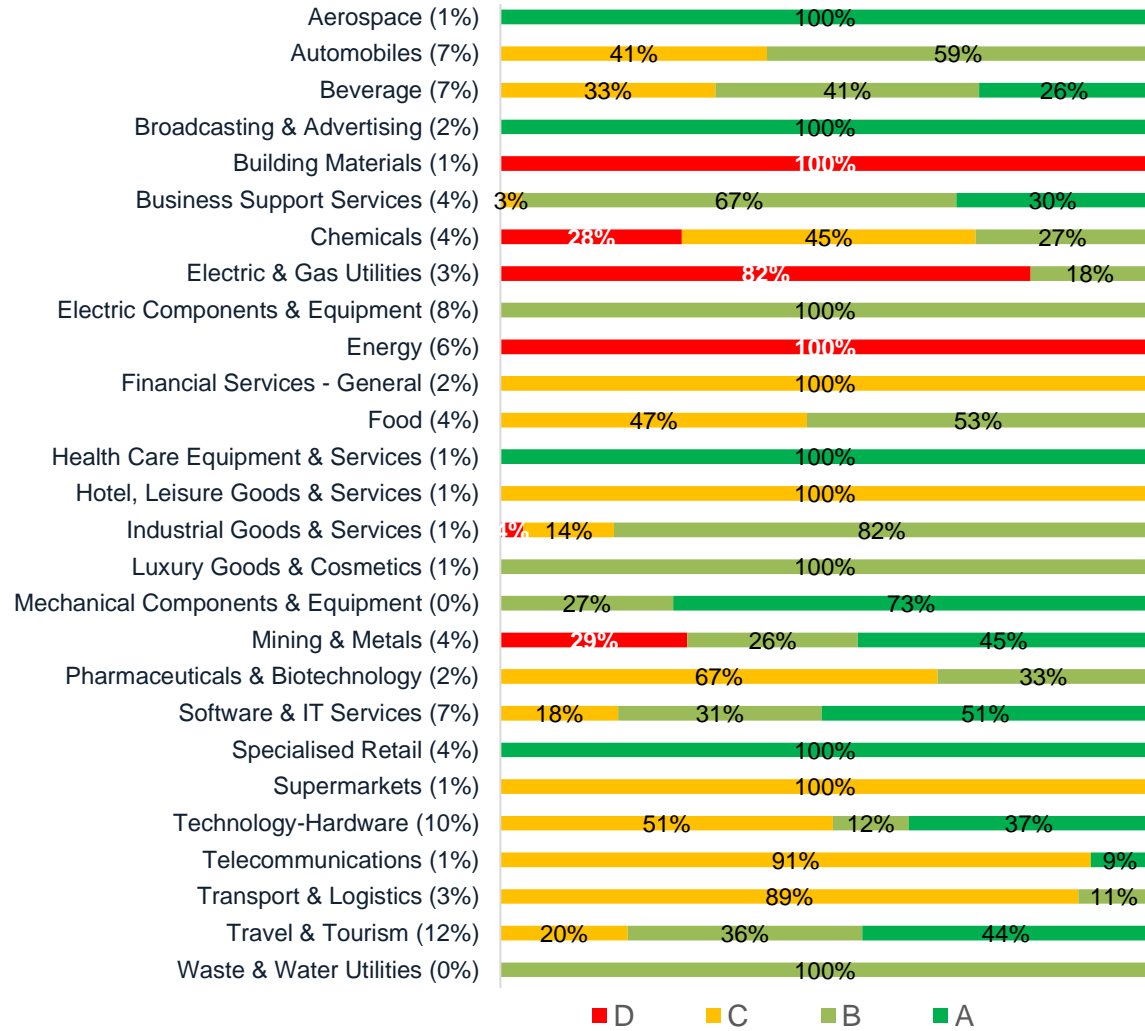


% of the covered companies

Scale	Emissions (T CO2 Equivalent)*	Categories
A	<100 000	Moderate
B	>= 100 000 and <1 000 000	Significant
C	>= 1 000 000 and <10 000 000	High
D	>= 10 000 000	Intense

* Scope 1 & 2

DYNASTY GLOBAL CONVERTIBLES



Carbon Footprint Breakdown by Sector (of investments)

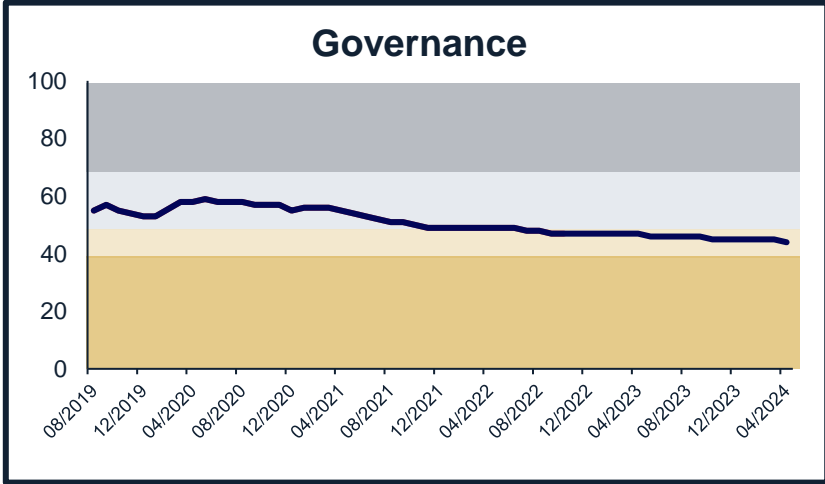
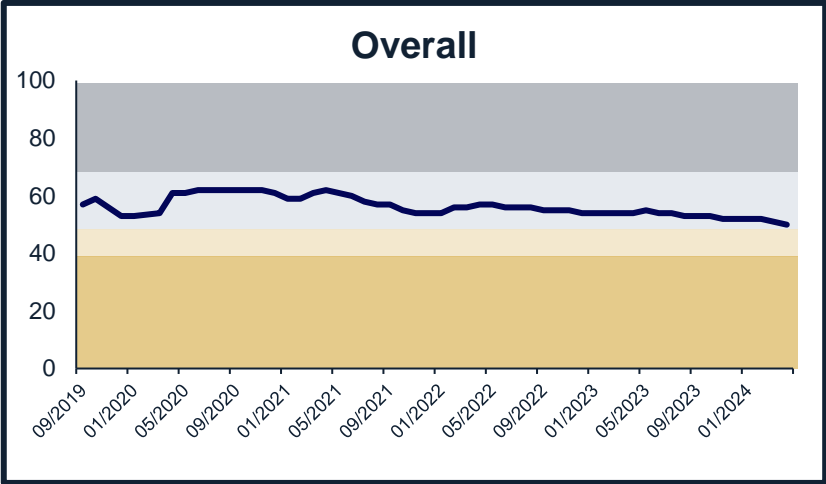
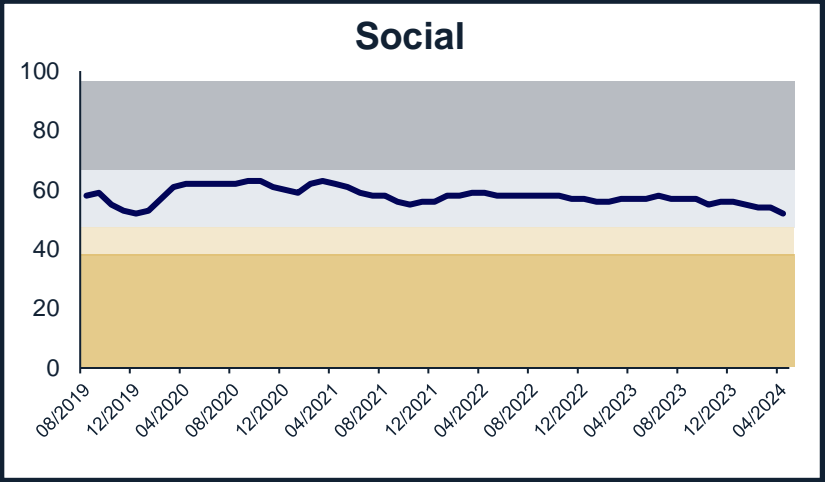
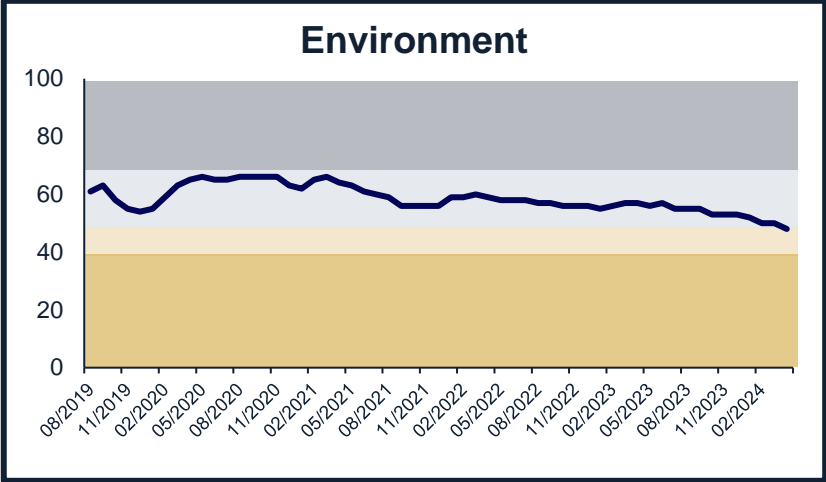


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* Scope 1 & 2

DYNASTY GLOBAL CONVERTIBLES

ESG RISKS



- Advanced
- Robust
- Limited
- Weak

DYNASTY GLOBAL CONVERTIBLES

LuxFLAG ESG Label – Exclusion List

List of sectors and activities, in which investments must be **excluded**:

- (1) Controversial Weapons
- (2) Controversial Jurisdictions
- (3) Tobacco
- (4) Controversial Behavior



ESG



LuxFlag Compliant

Controversial Weapons

Holding Name	ISIN	Portfolio Weight
None in portfolio		

Controversial Jurisdictions

Holding Name	ISIN	Portfolio Weight
None in portfolio		

Tobacco

Holding Name	ISIN	Portfolio Weight
None in portfolio		

DYNASTY GLOBAL CONVERTIBLES

LuxFLAG ESG Label – Exclusion List

List of sectors and activities, in which investments must be **excluded**:

- (1) Controversial Weapons
- (2) Controversial Jurisdictions
- (3) Tobacco
- (4) Controversial Behavior



ESG



LuxFlag Compliant

Controversial Behavior

Holding Name	Portfolio Weight	UN Global Compact principle	Dynasty AM Status	Start of engagement	Time remaining below 2 years ?
Volkswagen 3.375% Perp (Call 2024)	0.9%	Principles No. 9	Not Active		
Uber 0% 2025 / 0.875% 2028	3.8%	Principles No. 1, 2	Not Active		
Glencore 0% 2025	0.9%	Principles No. 1, 2	Ongoing Controversy	31/01/2022	No
Bayer 0.375% 2024	1.0%	Principles No. 9	Not Active		
Shell 0.750% 2024	0.1%	Principles No. 7,8	Not Active		



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Thank You