

ESG REPORT

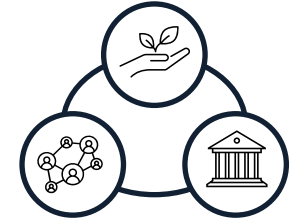
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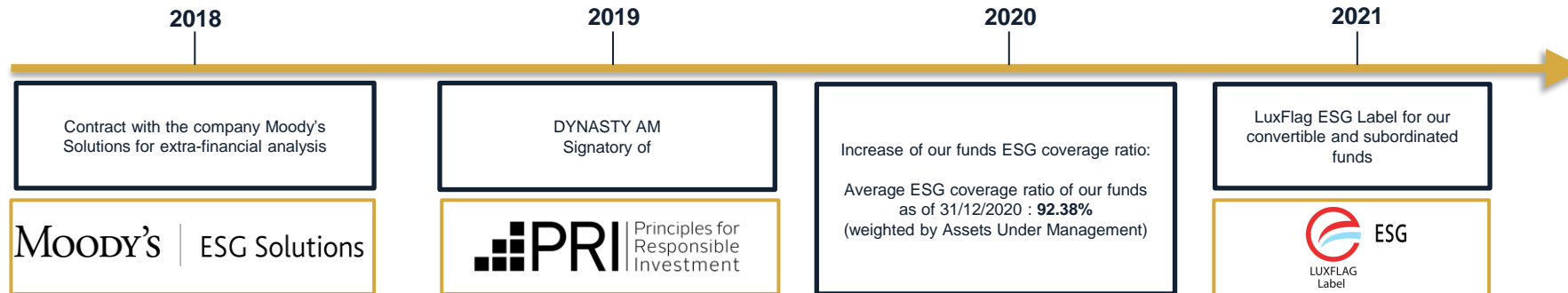
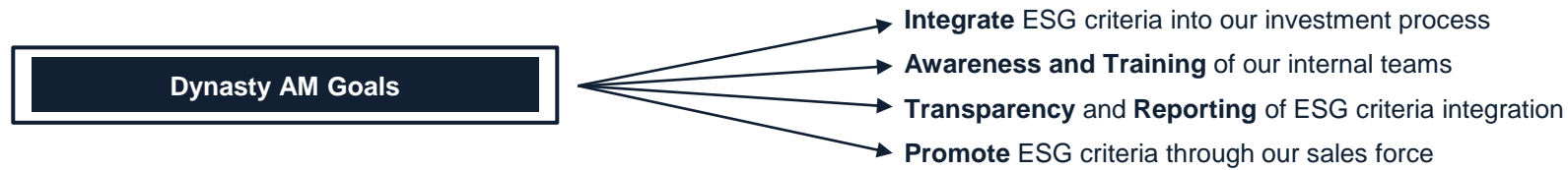
30th June 2024

ESG POLICY

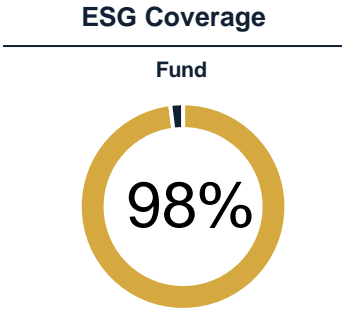
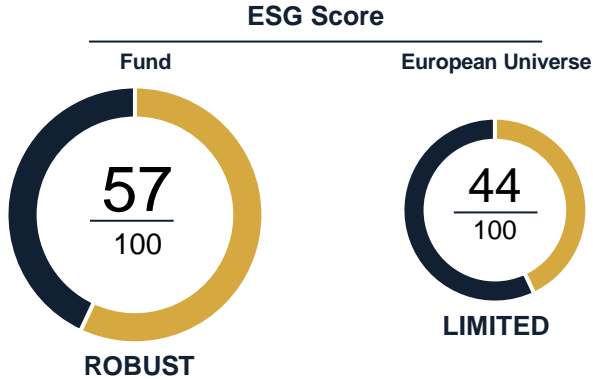
Dynasty AM S.A.'s **ESG (Environment, Social and Governance)** philosophy is based on the principle that there is a positive correlation between taking into account extra-financial criteria and generation of added value. We therefore aim to obtain the best long-term risk- return ratio for our clients,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



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



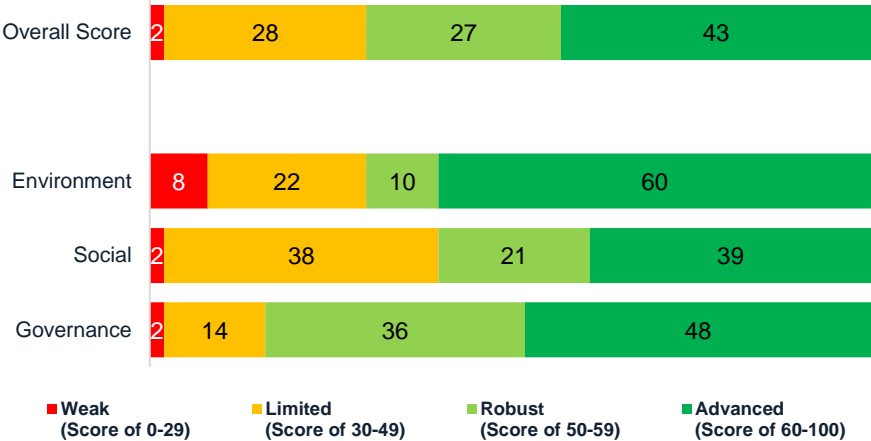
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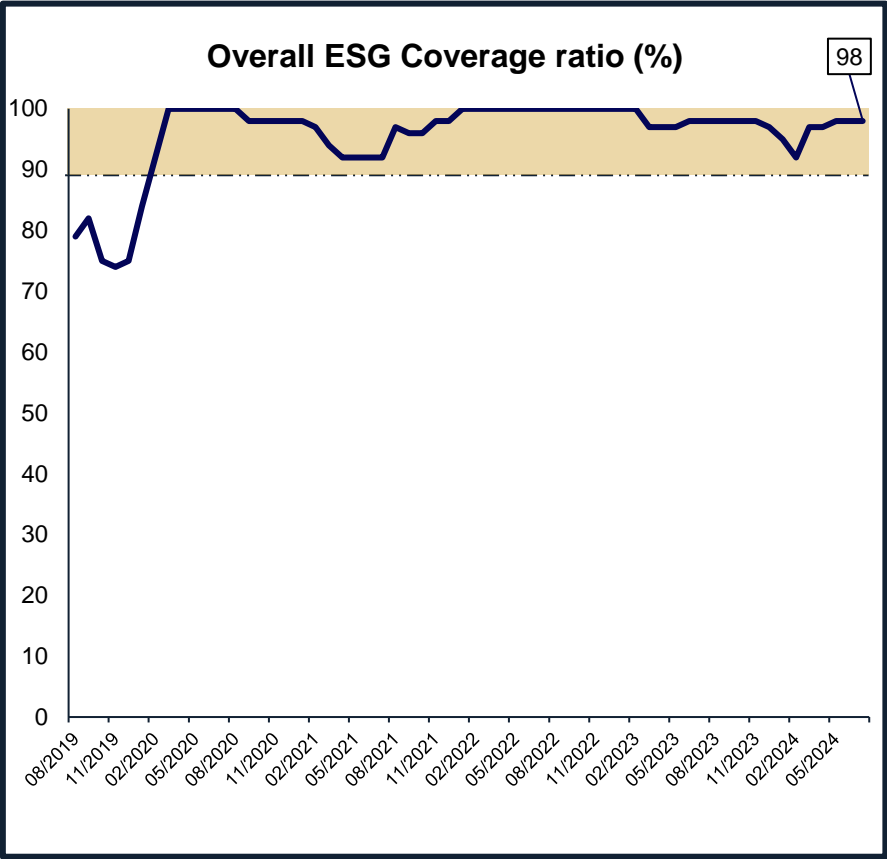
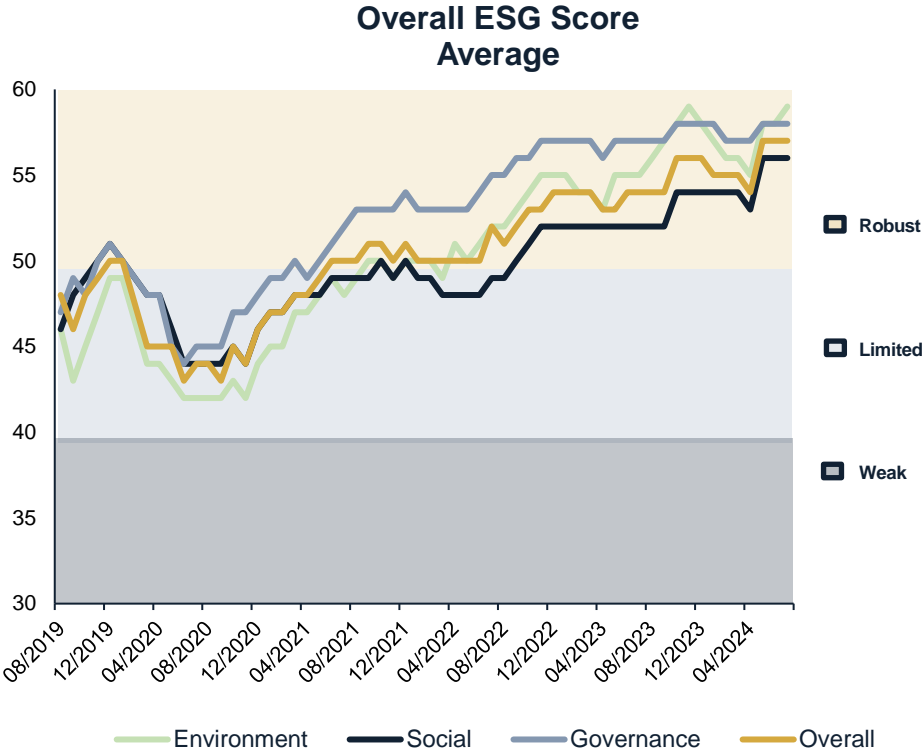
Overall and Domain Scores

	Average
Overall	57
Environment	59
Social	56
Governance	58

ESG Score Breakdown (% investment)



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5 highest rated ESG positions

Rank	Holding Name	Portfolio Weight	Sector (GICS)	Rating
1	Iberdrola 0.8% 2027	3.0%	Utilities	Advanced
2	Schneider 1.970% 2030	6.2%	Industrial	Advanced
3	Bureau Veritas 2.625% 2026	5.1%	Industrial	Advanced
4	Pirelli 0% 2025	3.1%	Consumer, Cyclical	Advanced
5	Eni 2.950% 2030	3.0%	Energy	Advanced

5 lowest rated ESG positions

Rank	Holding Name	Portfolio Weight	Sector (GICS)	Rating
1	Voyageurs du Monde 3% 2028	2.0%	Consumer, Cyclical	Weak
2	Mondelez / JDE Peet's 0% 2024	2.9%	Consumer, Non-Cyclical	Limited
3	Rheinmetall 2.250% 2030	4.8%	Industrial	Limited
4	MTU Aero Engines 2.625 2026	0.7%	Industrial	Limited
5	SGL Carbon SE 5.750% 2028	0.8%	Basic Materials	Limited



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5 largest positions

Rank	Holding Name	Portfolio Weight	Sector (GICS)	Rating
1	Schneider Electric 1.970% 2030	6.2%	Industrial	Advanced
2	Spie 2% 2028	5.9%	Industrial	Robust
3	Prysmian 0% 2026	5.2%	Industrial	Robust
4	Davide Campari-Milano 2.375% 2029	5.1%	Consumer, Non-cyclical	Limited
5	Bureau Veritas 2.625% 2026	5.1%	Industrial	Limited



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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		

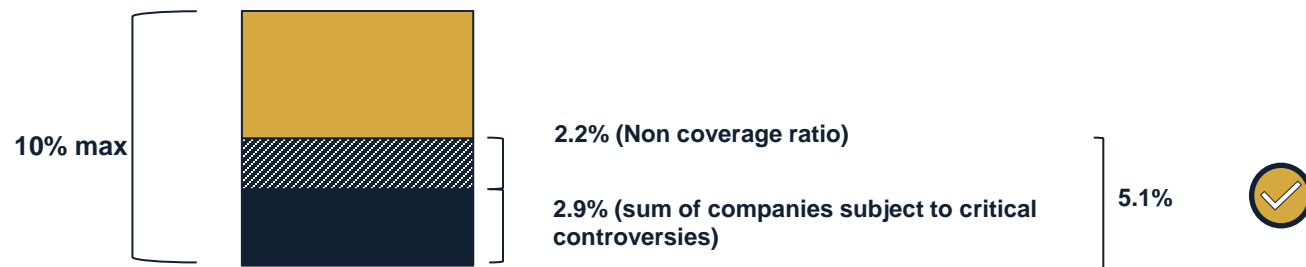


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We have decided to include a **special filter** on companies subject to critical controversies (i.e., the most severe) in domains we consider to be the most impacting.

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
Glencore 0% 2025	2.9%	Basic Materials	2 - 3 - 4 - 5

*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.

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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		

Controversial Weapons

Holding Name	ISIN	Portfolio Weight
None in portfolio		

Anti Personal Mines

Holding Name	ISIN	Portfolio Weight
None in portfolio		

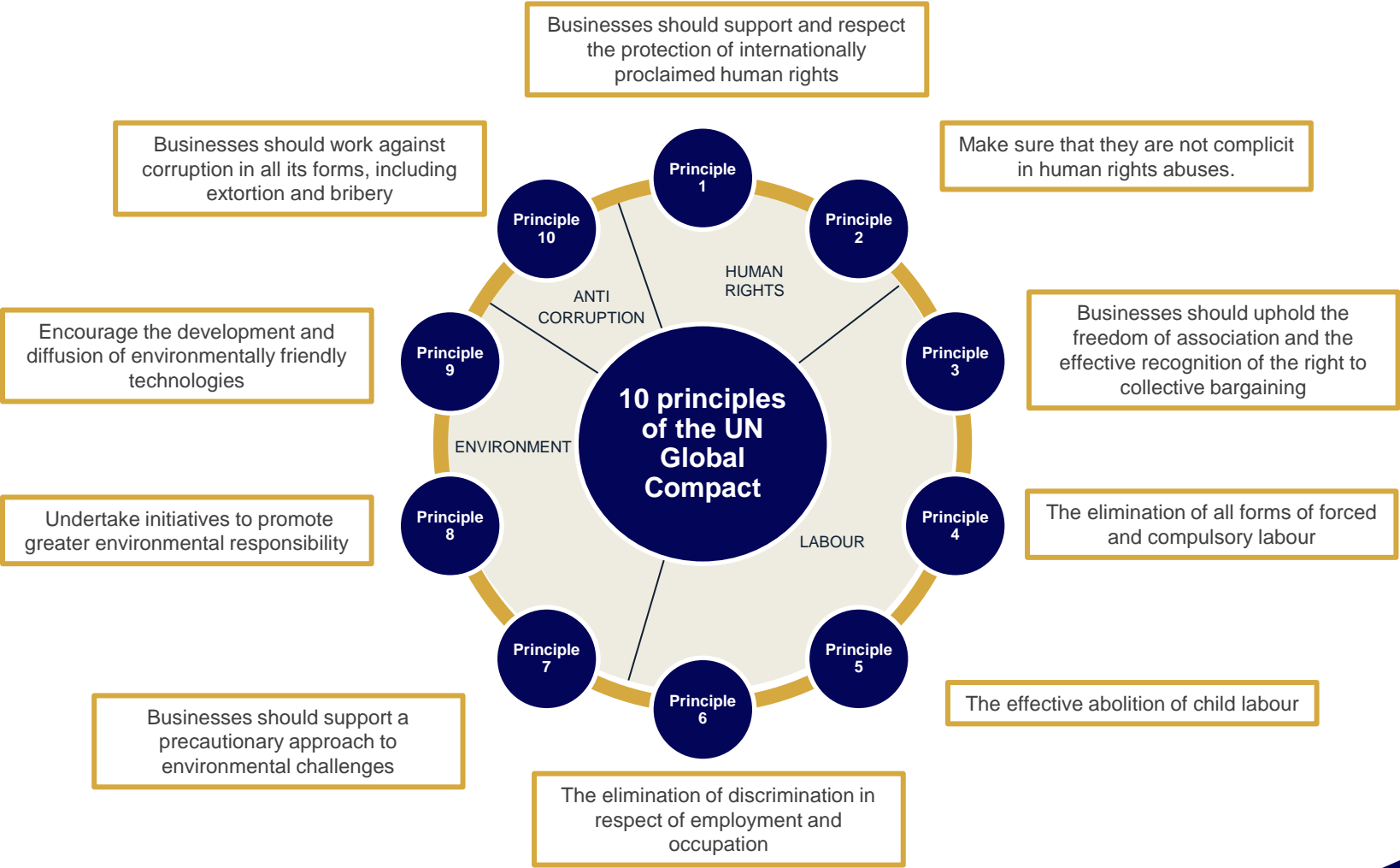
Anti Personal Landmines

Holding Name	ISIN	Portfolio Weight
None in portfolio		

Nuclear Weapons

Holding Name	ISIN	Portfolio Weight
None in portfolio		

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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 Behavior → 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.

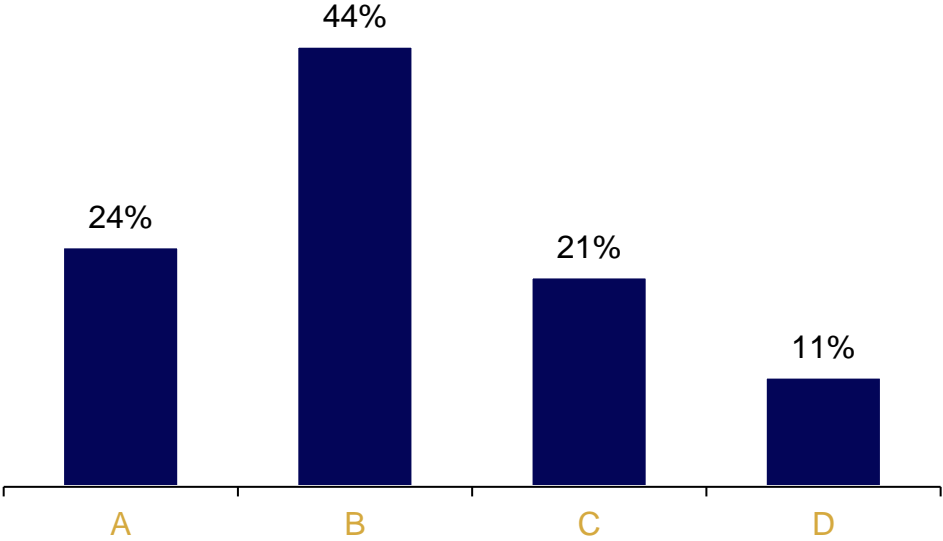
If this engagement does not lead to the desired change in a period of **2 years** from the **start** of this engagement, the company will join our **Global Compact Exclusion List**.

Holding Name	Portfolio Weight	UN Global Compact principle	Dynasty AM Status	Start of engagement	Time remaining below 2 years ?
Glencore 0% 2025	2.9%	Principles No. 1, 2	Ongoing Controversy	31/01/2022	No



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Carbon Footprint (of investments)

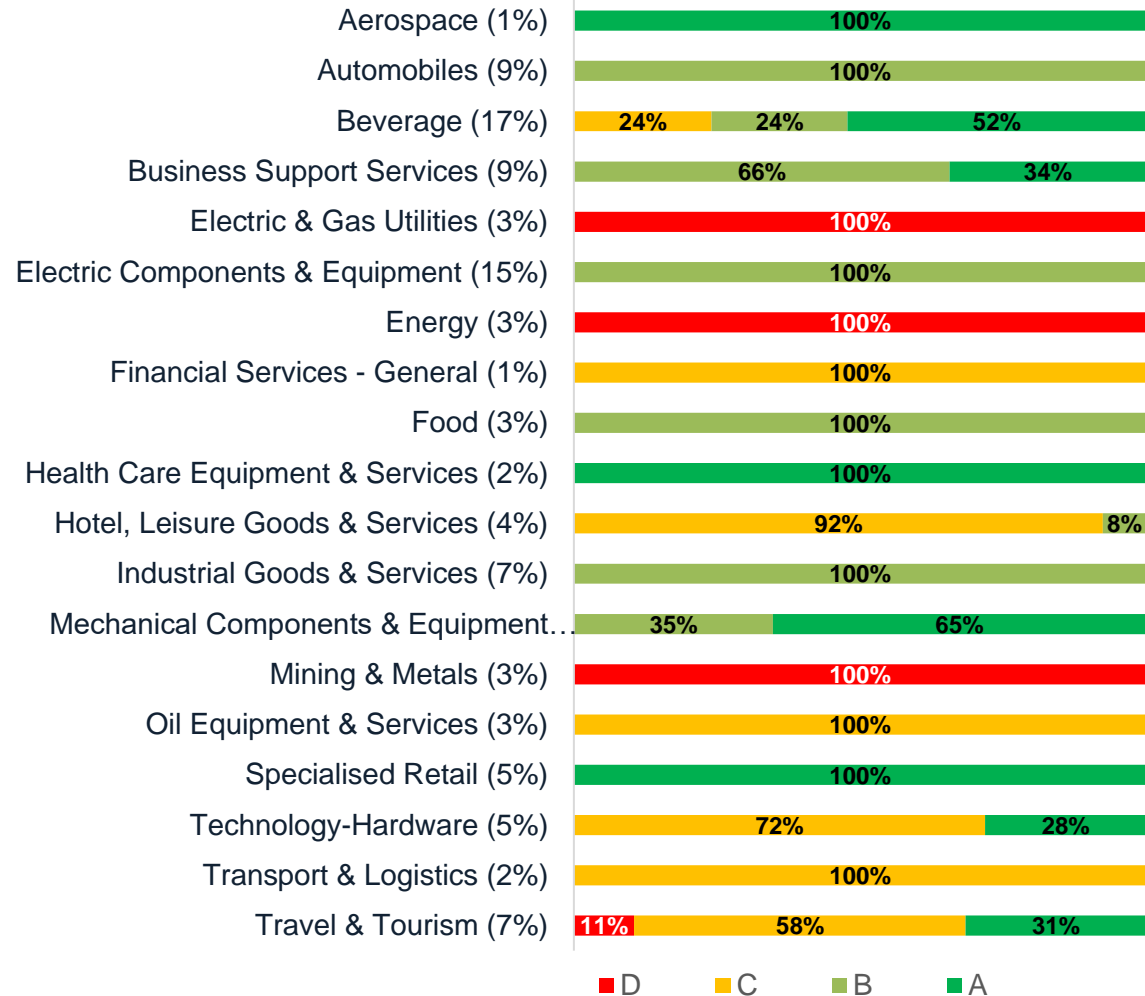


Scale	Emissions (T CO2 Equivalent)*	Categories
A	<100 000	Moderate
B	>= 100 000 and <1 000 000	Significant
C	>= 1 000 000 and <10 000 000	High
D	>= 10 000 000	Intense

* Scope 1 & 2

% of the covered companies

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Carbon Footprint Breakdown by Sector (of investments)

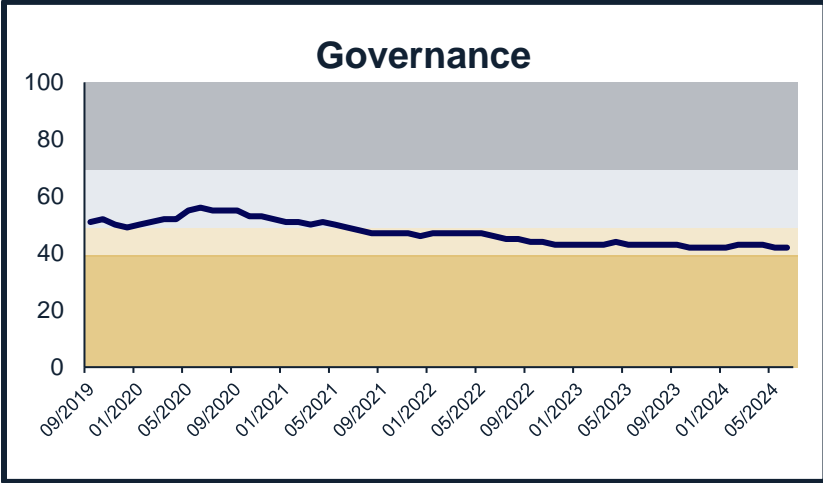
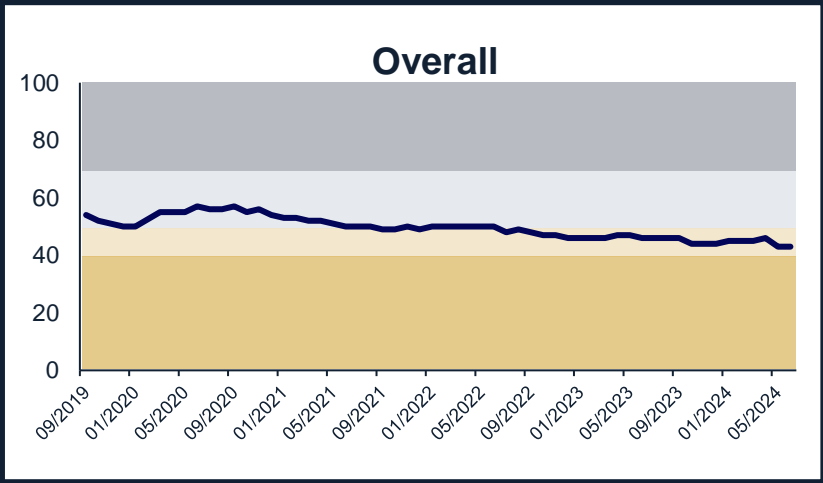
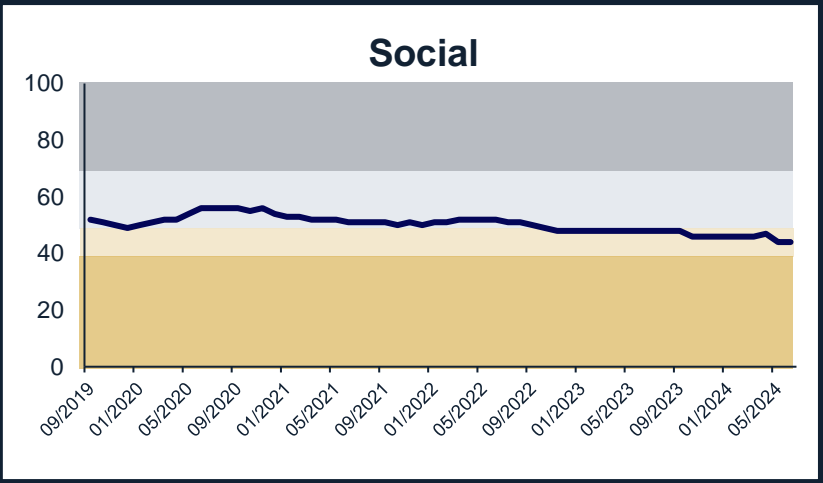
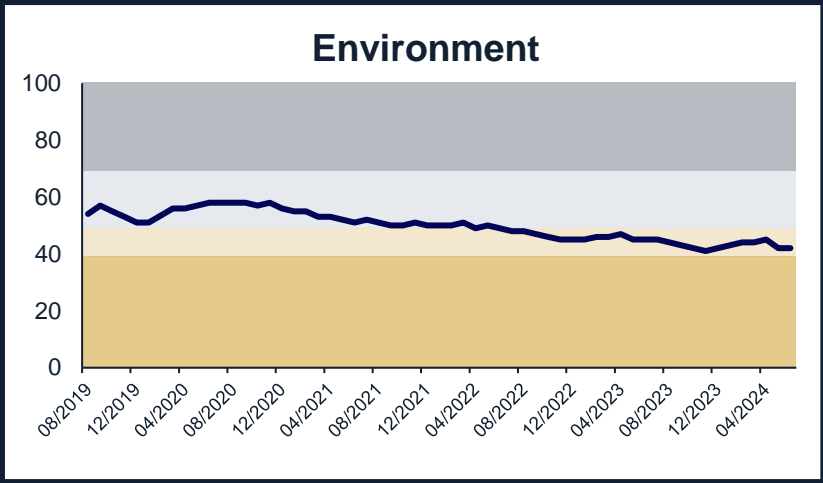






Scale	Emissions (T CO2 Equivalent)*	Categories
A	<100 000	Moderate
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D	>= 10 000 000	Intense

* Scope 1 & 2

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SUSTAINABILITY RISKS



-  Advanced
-  Robust
-  Limited
-  Weak

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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		



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LuxFLAG ESG Label – Exclusion List

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

- (1) Controversial Weapons
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- (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 ?
Glencore 0% 2025	3.0%	Principles No. 1, 2	Ongoing Controversy	31/01/2022	Yes



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Thank You