

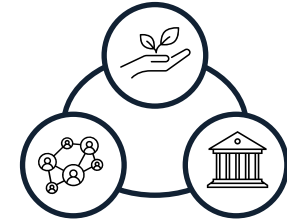
# ESG REPORT

## DYNASTY BOND EURO SHORT TERM

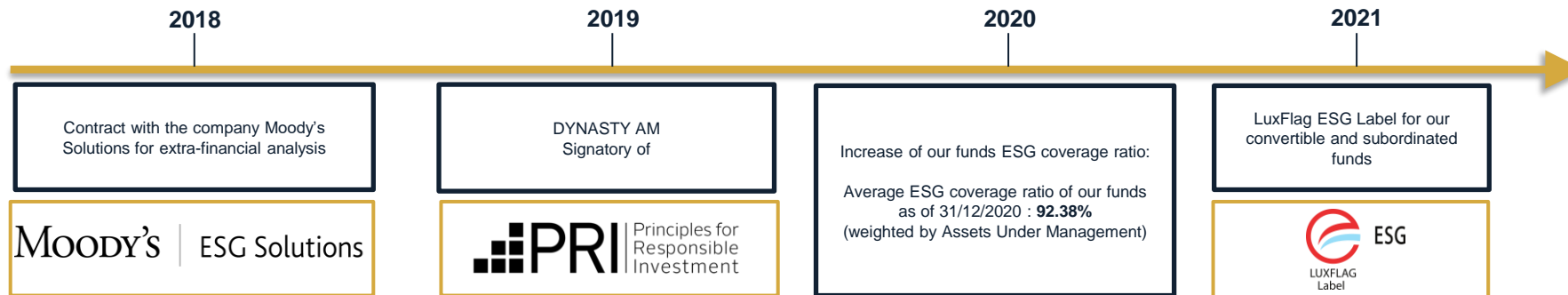
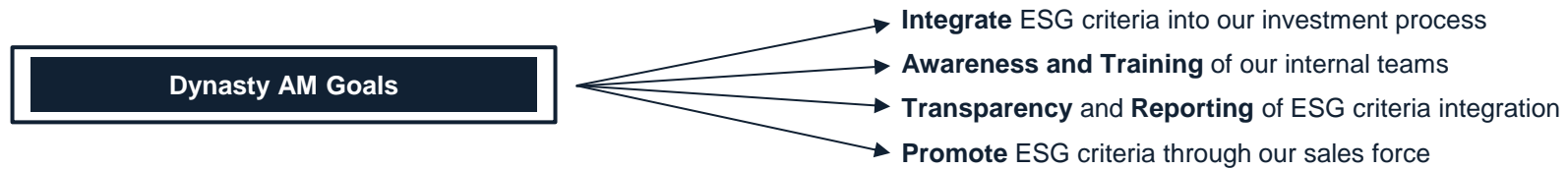
31<sup>st</sup> October 2024

# ESG POLICY

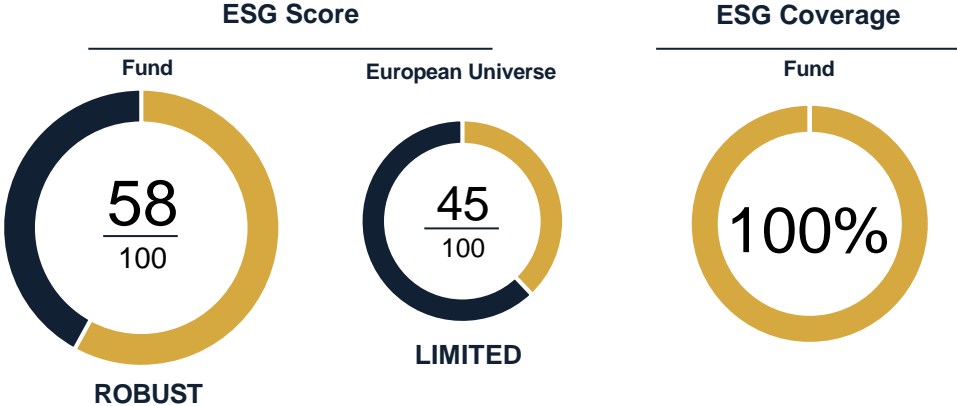
Dynasty AM S.A.'s **ESG (Environment, Social and Governance)** philosophy is based on the principle that there is a positive correlation between taking into account extra-financial criteria and generation of added value. We therefore aim to obtain the best long-term risk- return ratio for our clients,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



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



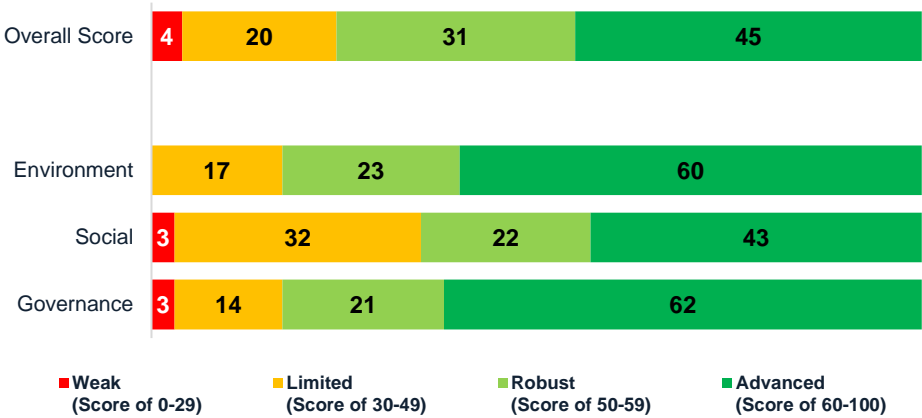
# DYNASTY BOND EURO SHORT TERM



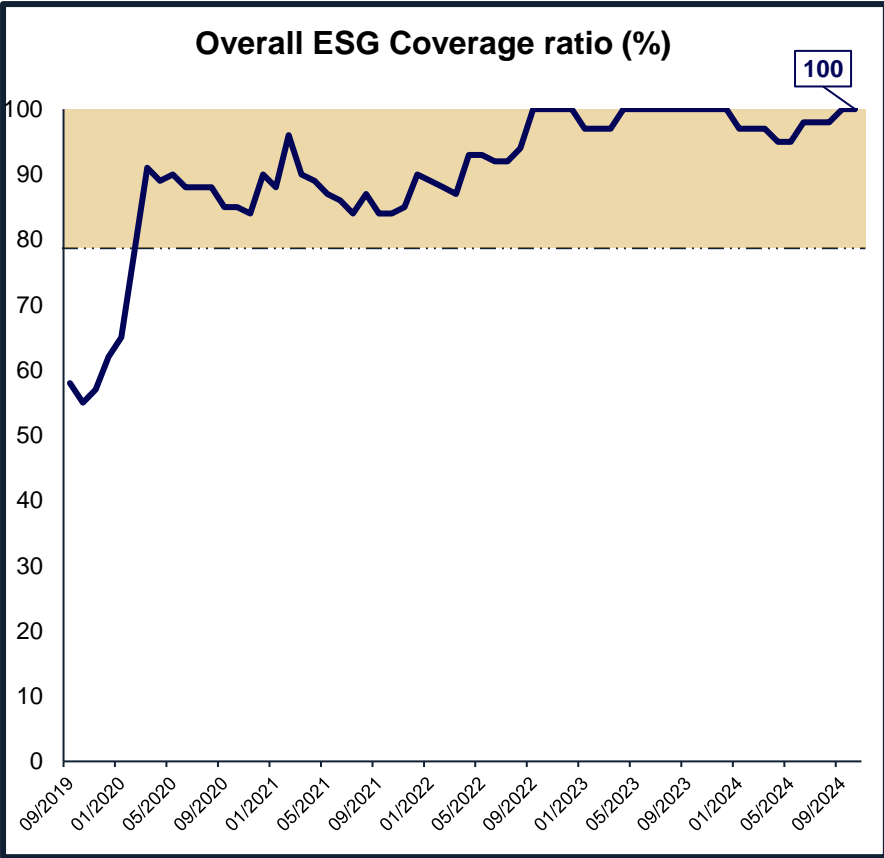
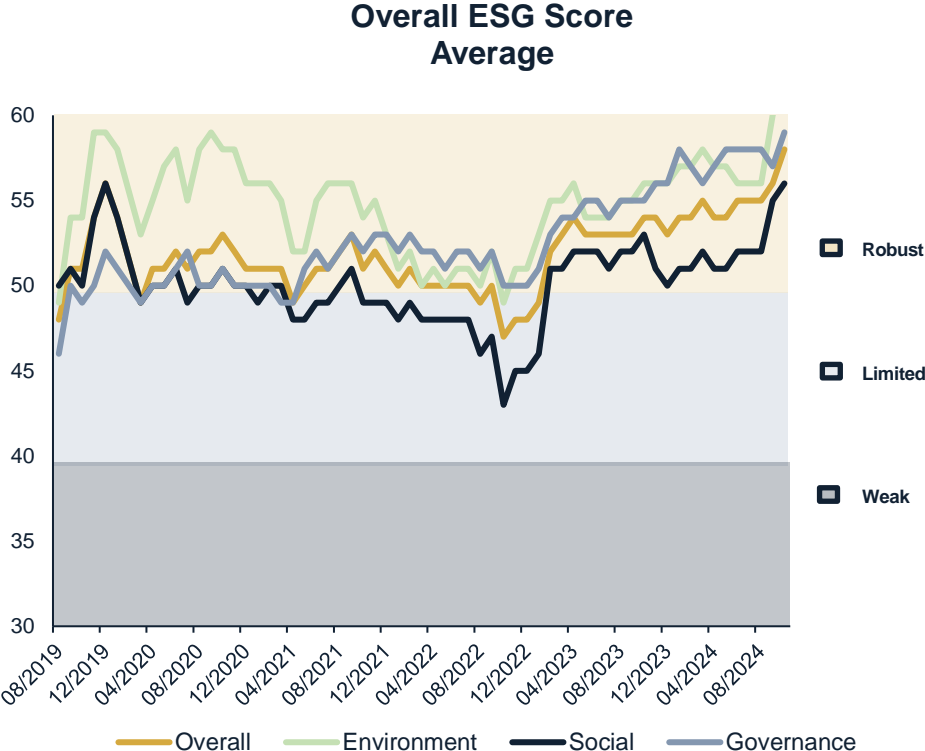
## Overall and Domain Scores

	Average
Overall	56
Environment	62
Social	56
Governance	59

## ESG Score Breakdown (% investment)



# DYNASTY BOND EURO SHORT TERM



# DYNASTY BOND EURO SHORT TERM

## 5 highest rated ESG positions

Rank	Holding Name	Portfolio Weight	Sector (GICS)	Rating
1	Carrefour 0,107% 2025	0,5%	Real Estate	Advanced
2	Danone 1,125% 2025	1,1%	Cons. Non-Cyclical	Advanced
3	Bureau Veritas 1,875% 2025	2,2%	Cons. Non-Cyclical	Advanced
4	ENGIE 1.375% (Call 2025)	2,7%	Utilities	Advanced
5	Schneider Electric 3.375% (Call 2025)	1,1%	Industrial	Advanced

## 5 lowest rated ESG positions

Rank	Holding Name	Portfolio Weight	Sector (GICS)	Rating
1	Gas Networks Ireland 0.125% (Call 2024)	1,6%	Utilities	Limited
2	Continental 1.125% (Call 2024)	1,1%	Cons. Cyclical	Limited
3	Carrier 4,375% 2025	1,7%	Industrial	Limited
4	Toyota 0,625% 2024	1,7%	Cons. Cyclical	Limited
5	Vonovia 1,250% 2024	1,1%	Real Estate	Limited



# DYNASTY BOND EURO SHORT TERM

## 5 Largest Positions

Rank	Holding Name	Portfolio Weight	Sector (GICS)	Rating
1	DHL groupe 0,05% 2025	3,2%	Industrial	Advanced
2	APRR 1,875% 2025	2,8%	Industrial	Advanced
3	Engie 0,875%	2,7%	Utilities	Advanced
4	Artemis / Puma 0%	2,7%	Cons. Cyclical	Robust
5	Vinci 3,375% (Call 2025)	2,2%	Industrial	Robust



# DYNASTY BOND EURO SHORT TERM

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 BOND EURO SHORT TERM

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
Continental 1.125%	1.1%	Cons. Cyclical	Audit and internal controls
Mercedes-Benz 3.625% 2024	1.2%	Cons. Cyclical	Audit and internal controls
Banque Stellantis France 0% 2025	2,2%	Consumer, Cyclical	Audit and internal controls
Continental 0,375% 2025	1,1%	Consumer, Cyclical	Audit and internal controls
Bayer 0,05% 2025	2,2%	Consumer, Non-cyclical	Audit and internal controls

\*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 BOND EURO SHORT TERM

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		

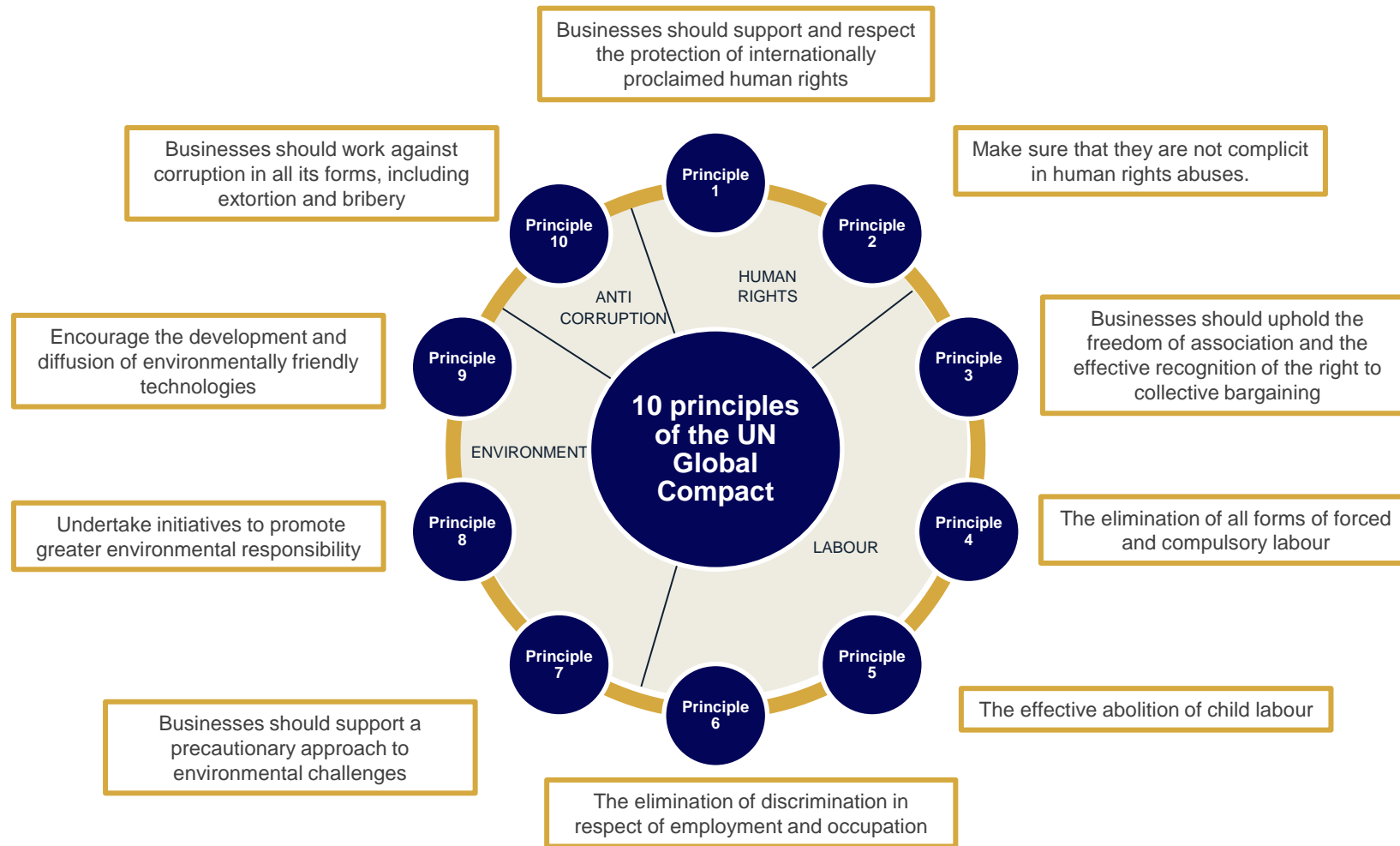
### Anti Personal Landmines

Holding Name	ISIN	Portfolio Weight
None in portfolio		

### Nuclear Weapons

Holding Name	ISIN	Portfolio Weight
None in portfolio		

# DYNASTY BOND EURO SHORT TERM



# DYNASTY BOND EURO SHORT TERM

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.

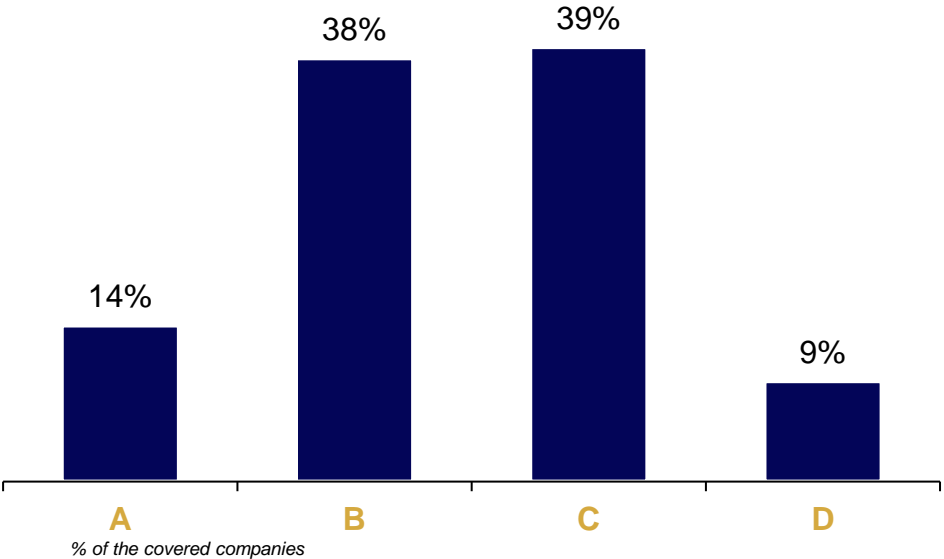
If this engagement does not lead to the desired change in a period of **2 years** from the **start** of this engagement, the company will join our **Global Compact Exclusion List**.

Holding Name	Portfolio Weight	UN Global Compact principle	Dynasty AM Status	Start of engagement	Time remaining below 2 years ?



# DYNASTY BOND EURO SHORT TERM

**Carbon Footprint (of investments)**



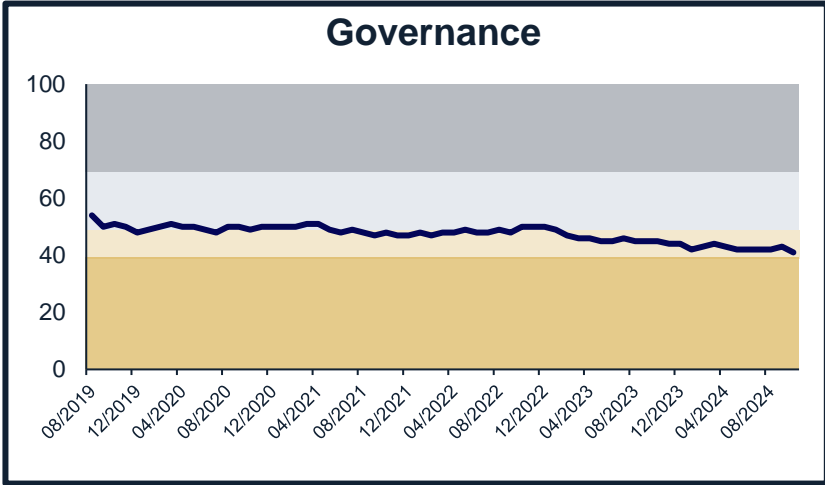
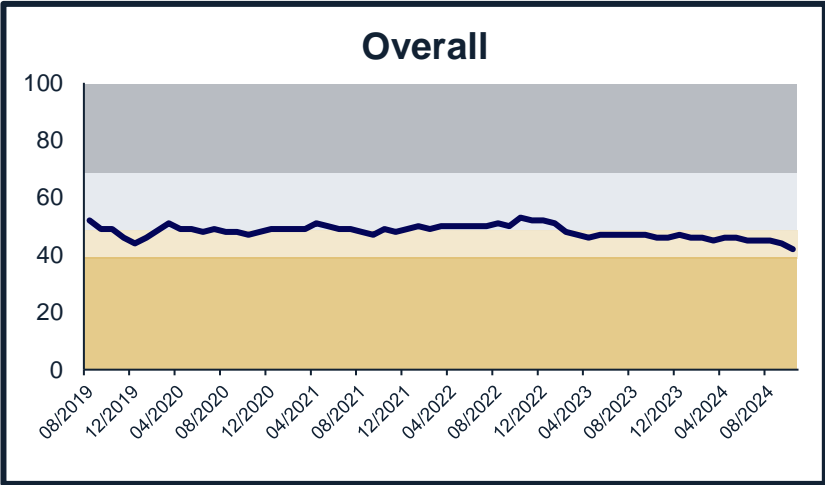
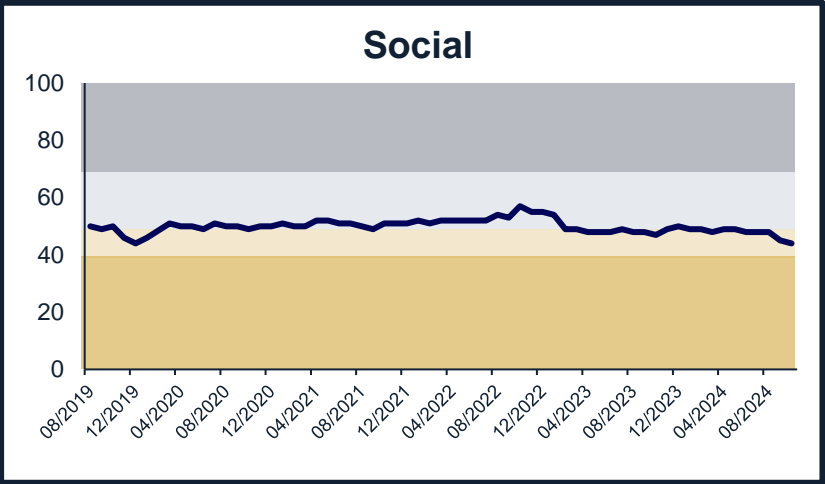
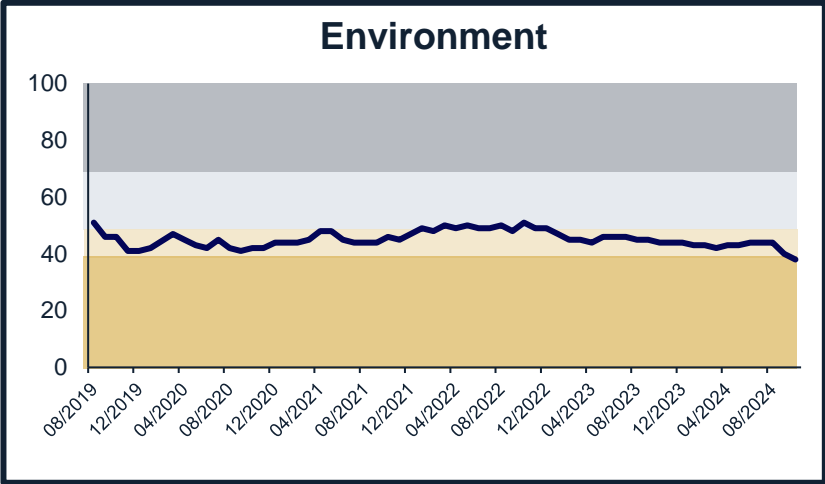
Scale	Emissions (T CO2 Equivalent)*	Categories
A	<100 000	Moderate
B	>= 100 000 and <1 000 000	Significant
C	>= 1 000 000 and <10 000 000	High
D	>= 10 000 000	Intense

\* Scope 1 & 2



# DYNASTY BPND EURO SHORT TERM

## SUQTAINABILITY RISKS



- Advanced
- Robust
- Limited
- Weak

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# Thank You