

<p>LONVIA CAPITAL</p>	<p>Exclusion policy</p>	<p>Reference: VIII.8 Version: 2.0</p>
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Last updated: May 2024 by Pascale Bradbury

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1 Regulatory references

The exclusion policy is based on:

- the Ottawa Convention of 3 and 4 December 1997 on anti-personnel mines.
- the Oslo Treaty of 3 December 2008 on cluster munitions.
- the 1972 Biological and Toxin Weapons Convention.
- Law no. 98-564 of 8 July 1998 on the elimination of anti-personnel mines.
- Law no. 2010-819 of 20 July 2010 on the elimination of cluster munitions.
- the AFG's recommendations on banning the financing of cluster munitions and anti-personnel mines,
- the AFG's recommendations on developing a coal strategy for portfolio management companies

2 Introduction

LONVIA CAPITAL's exclusion policy is part of the implementation of an SRI policy within the management company. It is one of the pillars of LONVIA CAPITAL's ESG approach and aims to :

- Meet regulatory requirements,
- Reconcile LONVIA CAPITAL's convictions with the challenges of sustainable development,
- Comply with the approach of integrating ESG criteria into equity management.

This exclusion policy applies to all funds managed by LONVIA CAPITAL and aims to exclude any investment in companies belonging to the following sectors, in accordance with the conditions set out in this document:

- Controversial weapons
- Coal
- Tobacco
- Violation of the United Nations Global Compact
- Oil and gas

This exclusion policy came into force on 1 September 2021 and applies to all funds managed by LONVIA CAPITAL. It was last updated in December 2023.

3 Exclusions

3.1 Controversial weapons

In accordance with the AFG's recommendations on banning the financing of cluster munitions and anti-personnel mines, LONVIA CAPITAL excludes any direct investment in shares or bonds in companies involved in controversial weapons.

LONVIA CAPITAL considers that a company is involved in the production, marketing or stockpiling of controversial weapons when it :

- Produces, markets or stocks controversial weapons or components specifically designed for these weapons and representing an essential component for their operation.
- Provides assistance, technologies or essential and dedicated services for these weapons, such as logistics or transport.

LONVIA CAPITAL will not invest, on behalf of the UCITS it markets and manages, in securities representing the capital or in credit securities issued by companies involved in the production,

marketing or stockpiling of controversial weapons. To do this, LONVIA CAPITAL uses the Trucost database (indicator: "I. 14. Exposure to controversial weapons - Company Involvement in Manufacture or Sale of Controversial Weapons (0/1)"). Before investing, the managers check that the company is not on the exclusion lists (strict threshold equal to 0). This list is updated every quarter.

3.2 Coal

In 2015, the Paris climate agreement was adopted by 195 countries at COP21. The main objective of these commitments is to keep global warming below 2°C compared with the pre-industrial era. The main lever for encouraging a reduction in greenhouse gases, which are responsible for global warming, involves a gradual transformation of the energy mix, with the use of fossil fuels giving way to "decarbonised" energies.

Aware of the need to combat global warming, and in conjunction with the integration of ESG criteria into our investment strategy, we strive to take climate issues into account as an integral part of our responsible investment policy. LONVIA CAPITAL endeavours to take climate issues into account as an integral part of its responsible investment policy and has decided to limit its investments in companies whose activity is heavily dependent on the coal industry, which is a highly carbon-intensive source of energy.

LONVIA CAPITAL has implemented the following approach, in accordance with the recommendations of the AFG ("Guide to the development of a coal strategy for portfolio management companies"):

The following are strictly excluded

- Companies with expansion plans in the field of coal energy, extraction or infrastructure, such as:
 - Companies planning to develop new coal-fired electricity generation capacity of at least 100 MW,
 - Companies engaged in coal exploration activities that plan to develop new coal mines or expand existing coal mines,
 - Companies involved in the development or expansion of transport assets or other coal-related infrastructure, such as coal-to-gas facilities.
- Companies where coal accounts for 10% or more of revenues or electricity generation.
- Companies whose annual thermal coal production is equal to or greater than 10 million tonnes or whose installed coal production capacity is equal to or greater than 5 GW.

To do this, LONVIA CAPITAL relies on the Global Coal Exit List (GCEL), which is the most comprehensive public database on the coal industry. All companies on this list are strictly excluded. LONVIA CAPITAL's coal strategy applies to both new investment flows and existing investment stock. The Global Coal Exit list is made available to managers. Before investing, the managers check that the company is not on this exclusion list. This list is updated quarterly.

3.3 Tobacco

Tobacco is considered by the World Health Organisation to be the greatest threat to public health worldwide, causing more than 8 million deaths each year. LONVIA CAPITAL therefore considers that this is not a category that complies with responsible investment due to its harmful effect on health and the environment. This exclusion applies to the company's entire value chain: producers, distributors and suppliers. To do this, LONVIA CAPITAL relies on Robeco's public tobacco exclusion list, which is a benchmark on the Paris stock exchange. All companies on this list are strictly excluded.

Before investing, the fund managers check that the company is not on this exclusion list. This list is updated quarterly.

3.4 Violations of the United Nations Global Compact

LONVIA CAPITAL has integrated the 10 principles of the United Nations Global Compact into its approach to Socially Responsible Investment. They are considered to be a set of minimum standards that all companies in all sectors must respect. These 10 principles are divided into four pillars:

- Human rights (e.g. promoting and respecting the protection of international human rights law)
- Labour (example: contributing to the effective abolition of child labour)
- Environment (e.g. taking initiatives to promote greater environmental responsibility)
- The fight against corruption (example: taking action against corruption in all its forms, including extortion and bribery)

Companies guilty of one or more violations of these principles are strictly excluded. LONVIA CAPITAL uses the Trucost database (indicator: "I. 10. Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (0/1)"). Before investing, the fund managers check that the company is not on this exclusion list (strict threshold equal to 0). This list is updated every quarter.

3.5 Oil and gas

LONVIA CAPITAL strives to take climate issues into account as an integral part of its responsible investment policy and has decided to limit its investments in companies whose activity is heavily dependent on the oil and gas industry. According to the Intergovernmental Panel on Climate Change (IPCC), the extraction and consumption of fossil fuels account for 75% of global greenhouse gas emissions, and all new fossil fuel extraction projects must be halted in order to limit global warming.

To do this, LONVIA CAPITAL relies on the Global Oil & Gas Exit List (GOGEL), which is the most comprehensive public database on the oil and gas industry. GOGEL lists all oil and gas companies operating in the upstream and/or midstream subsectors of the industry. Almost all the companies in the upstream segment listed by GOGEL are involved in developing projects to produce existing reserves or explore for new reserves. Before investing, the fund managers check that the company is not on this exclusion list. This list is updated quarterly.

3.6 The Amundi exclusion list

LONVIA CAPITAL has chosen to use Amundi Intermédiation for the transmission and execution of its orders. Amundi Intermédiation has its own exclusion policy which LONVIA CAPITAL is bound to respect. The exclusions essentially overlap with LONVIA CAPITAL's exclusion policy and concern weapons, thermal coal, the principles of the United Nations Global Compact, non-conventional hydrocarbons, tobacco and countries subject to European Union (EU) sanctions. The full list of exclusions is available on the Amundi website (www.amundi.am).