

## 1. Introduction

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We have decided at a corporate-level to exclude certain sectors and practices from our entire range of long-only funds.

Thus, we have banned investment in companies active in the production of weapons and war material. This includes not only very controversial weapons such as cluster bombs, anti-personnel mines and nuclear weapons (“Don’t bank on the bomb”), but also more “conventional” weapons, usually considered less controversial.

Chahine Capital has also decided not to invest in companies whose income from coal mining activities (thermal coal, metallurgical coal, and coke) exceeds 10% of their total revenue. Companies whose coal-fired electricity generation represents more than 10% of turnover (or the production capacity exceeds 10,000 MW) or nuclear-based power generation exceeds 5% of turnover are excluded.

In addition, companies involved in tobacco production are excluded and companies whose activities related to adult entertainment (pornography) represent more than 5% of their total revenue are also excluded.

Finally, we do not invest in companies breaching fundamental ethical standards (violation of individual rights, non-respect of human rights, severe environmental damage, etc.), including companies whose operations or suppliers violate the 10 principles of the UNGC (United Nations Global Compact). We rely on the exclusion list established by Norges Bank, on RepRisk’s UNGC Violator Flag and Factset.

The overall exposure of the “Digital Stars” sub-funds to the gambling sector (casinos, lotteries, etc.) is limited to a maximum of 5% of their assets.

We have supplemented our existing daily-risk policy with a component related to ESG controversies. Indeed, business conduct risks related to human rights, labour, environment and corruption can result in risks to company reputation and profits, and therefore in a risk borne by the final investor. Thus, we exclude companies with a high level of controversy (levels defined in our ESG Risk Control procedure, available on demand). We use the external RepRisk database for this purpose.

Finally, we have set up an SRI policy and signed the United Nations Principles for Responsible Investment (UNPRI).

## 2. Glossary

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**RepRisk Index (RRI):** A quantitative measure that dynamically captures a company’s or project’s reputational risk related to ESG issues. The RRI facilitates an initial assessment of the ESG risks associated with investments or business relationships, allows the comparison of a company’s exposure with that of its peers, and helps track risk trends over time.

The RRI ranges from zero (lowest) to 100 (highest). The higher the value, the higher the risk exposure:

- 0-24: generally denotes low risk exposure
- 25-49: represents medium risk exposure
- 50-59: denotes high risk exposure
- 60-74: denotes very high risk exposure
- 75-100: denotes extremely high risk exposure

**RepRisk Rating (RRR):** A letter rating that facilitates corporate benchmarking against a peer group and the sector, as well as integration of ESG and business conduct risks into business processes. The Rating provides decision support in risk management, compliance, investment management, and supplier risk assessment.

The RepRisk Rating ranges from AAA to D:

- AAA, AA, A denotes low ESG risk exposure
- BBB, BB, B denotes moderate ESG risk exposure
- CCC, CC, C denotes high ESG risk exposure
- D denotes very high ESG risk exposure

**UN Global Compact Violator Flag:** Allows to easily identify companies that have a high risk or potential risk of violating one or more of the ten UNGC Principles. With the Flag, it is possible to see if the UNGC violations are primarily linked to the operations or to the supply chain of a company.

### 3. Digital Stars Europe

#### EXCLUDED COMPANIES

24 Stocks have been excluded or not integrated during Q2 2021 in a portfolio composed of 177 Stocks.

Excluded companies in Digital Stars Europe in Q2 2021 were principally gambling (exceeding maximum limit of 5% of the portfolio), tobacco, automobiles (safety risks) and banks (ethical rule violations and market manipulation).

| Date       | Fund                 | Stock                   | ISIN         | Exclusion Criteria          | Remark                                 |
|------------|----------------------|-------------------------|--------------|-----------------------------|--|
| 14/04/2021 | Digital Stars Europe | Kambi Group plc Class B | MT0000780107 | Gambling limited at max 5%  | Not integrated Earnings Momentum       |
| 14/04/2021 | Digital Stars Europe | Scandinavian Tobacco C  | DK0060696300 | Tobacco                     | Not integrated Earnings Momentum       |
| 14/04/2021 | Digital Stars Europe | 888 Holdings Plc        | GI000A0F6407 | Gambling limited at max 5%  | Not integrated Earnings Momentum       |
| 14/04/2021 | Digital Stars Europe | Daimler AG              | DE0007100000 | RRI 56>40 (Emission         | Not integrated Earnings Momentum       |
| 14/04/2021 | Digital Stars Europe | 888 Holdings Plc        | GI000A0F6407 | Gambling limited at max 5%  | Not integrated NN Momentum             |
| 14/04/2021 | Digital Stars Europe | Daimler AG              | DE0007100000 | RRI 56>40 (Emission         | Not integrated NN Momentum             |
| 28/04/2021 | Digital Stars Europe | Evolution Gaming Group  | SE0012673267 | Gambling limited at max 5%  | Not integrated Price Momentum          |
| 28/04/2021 | Digital Stars Europe | Porsche Automobil Hold  | DE000PAH0038 | UNGC potential violator (E  | Not integrated Price Momentum          |
| 17/05/2021 | Digital Stars Europe | 888 Holdings Plc        | GI000A0F6407 | Gambling limited at max 5%  | Not integrated Earnings Momentum       |
| 17/05/2021 | Digital Stars Europe | 888 Holdings Plc        | GI000A0F6407 | Gambling limited at max 5%  | Not integrated NN Momentum             |
| 17/05/2021 | Digital Stars Europe | LVMH Moet Hennessy L    | FR0000121014 | Peak RRI 61 June 19 (Anima  | Not integrated NN Momentum             |
| 26/05/2021 | Digital Stars Europe | Evolution AB            | SE0012673267 | Gambling limited at max 5%  | Not integrated Price Momentum          |
| 26/05/2021 | Digital Stars Europe | Scandinavian Tobacco C  | DK0060696300 | Tobacco                     | Not integrated Price Momentum          |
| 26/05/2021 | Digital Stars Europe | Holmen AB               | SE0011090018 | Social 31>30 Non-payment    | Sold from the portfolio Price momentum |
| 02/06/2021 | Digital Stars Europe | Banco Santander, S.A.   | ES0113900J37 | RRI 41>40 suspicion of      | Sold from the portfolio                |
| 15/06/2021 | Digital Stars Europe | Catena Media plc        | MT0001000109 | Gambling limited at max 5%  | Not integrated NN Momentum             |
| 15/06/2021 | Digital Stars Europe | LVMH Moet Hennessy L    | FR0000121014 | Peak RRI 61 June 19 (Anima  | Not integrated NN Momentum             |
| 15/06/2021 | Digital Stars Europe | Kering                  | FR0000121485 | Peak RRI 61 June 19 Tax ev  | Not integrated NN Momentum             |
| 28/06/2021 | Digital Stars Europe | Catena Media plc        | MT0001000109 | Gambling limited at max 5%  | Not integrated Price Momentum          |
| 28/06/2021 | Digital Stars Europe | Flex LNG                | BMG359472021 | Bermuda (Fiscal paradise) t | Not integrated Price Momentum          |
| 28/06/2021 | Digital Stars Europe | Porsche Automobil Hold  | DE000PAH0038 | UNGC potential violator (E  | Not integrated Price Momentum          |
| 28/06/2021 | Digital Stars Europe | CaixaBank SA            | ES0140609019 | Governance 30.45>30 Mon     | Sold from the portfolio                |
| 28/06/2021 | Digital Stars Europe | Pets At Home Group Plc  | GB00BJ62K685 | Social 36>30 Dry cat food   | Sold from the portfolio                |
| 28/06/2021 | Digital Stars Europe | NatWest Group Plc       | GB00B7T77214 | RRI 49>40 Temporarily       | Sold from the portfolio                |

The detailed stock exclusion reports are available on demand.

#### ESG REPUTATIONAL RISK (Weighted average based on RepRisk Index, as of 30/06/2021)

**Digital Stars Europe: 9 / 100**

MSCI Europe: 26 / 100

Digital Stars Europe exhibits a weighted average ESG Reputational Risk 65% below that of its benchmark (MSCI Europe).

**2-YEAR PEAK ESG REPUTATIONAL RISK** (Weighted average based on the 2-Year Peak RepRisk Index, as of 30/06/2021)

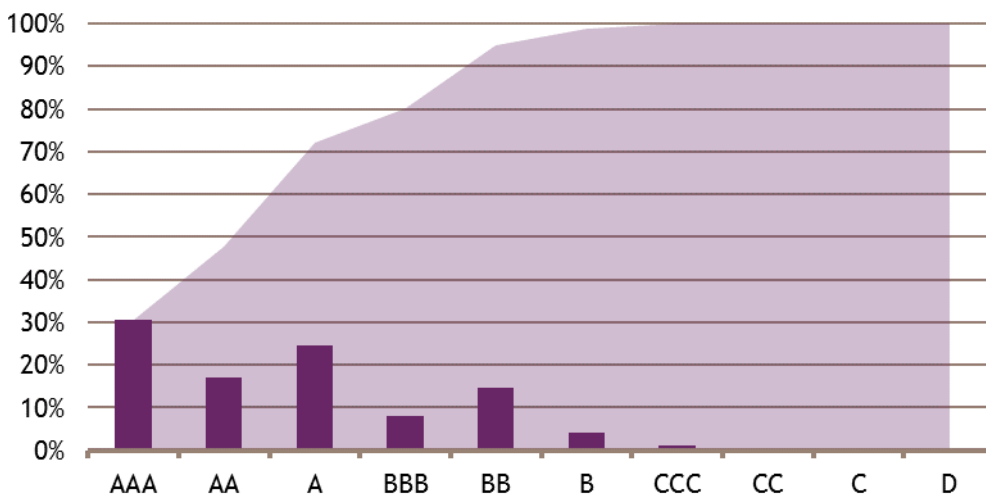
**Digital Stars Europe: 17 / 100**

MSCI Europe: 39 / 100

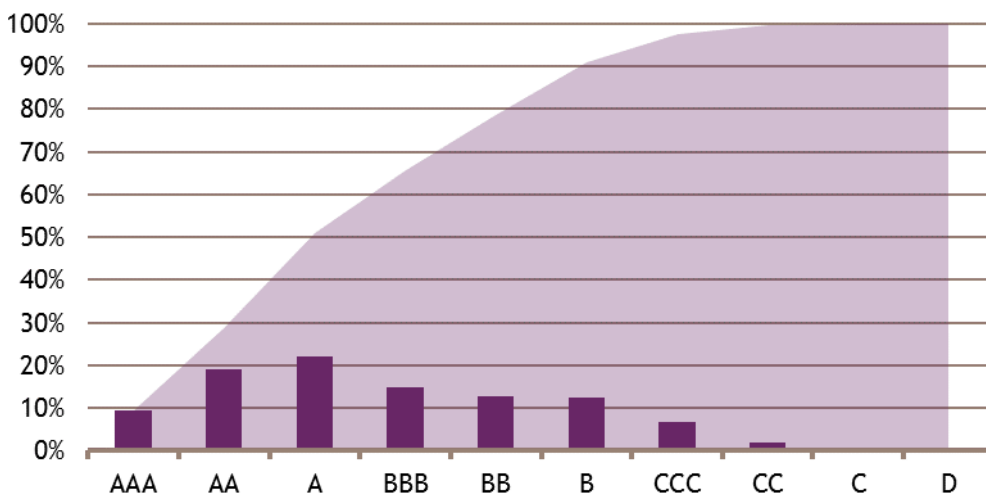
Digital Stars Europe exhibits a weighted average 2-year Peak ESG Reputational Risk 56% below that of its benchmark (MSCI Europe).

**ESG REPRISK RATING**

**Digital Stars Europe**



**MSCI Europe**



72.2% of the fund stocks have an ESG RepRisk Rating AAA, AA, A, vs. 50.8% for the benchmark.

#### 4. Digital Stars Europe Ex-UK

##### EXCLUDED COMPANIES

16 Stocks have been excluded or not integrated during Q2 2021 in a portfolio composed of 161 Stocks.

Excluded companies in Digital Stars Europe Ex-UK in Q2 2021 were principally gambling (exceeding maximum limit of 5% of the portfolio), tobacco, automobiles (for safety reasons due to defective components) and banks (ethical rule violations and market manipulation).

| Date       | Fund                       | Stock                            | ISIN         | Exclusion Criteria  | Remark                                 |
|------------|----------------------------|----------------------------------|--------------|---|--|
| 13/04/2021 | Digital Stars Europe ex UK | Kambi Group plc Class B          | MT0000780107 | Gambling limited at max 5% of the portfolio                     | Not integrated Earnings Momentum       |
| 13/04/2021 | Digital Stars Europe ex UK | Scandinavian Tobacco Group A     | DK0060696300 | Tobacco   | Not integrated Earnings Momentum       |
| 13/04/2021 | Digital Stars Europe ex UK | Daimler AG                       | DE0007100000 | RRI 56>40 (Emission cheating scandal, recall various models of  | Not integrated Earnings Momentum       |
| 13/04/2021 | Digital Stars Europe ex UK | Kindred Group plc Shs Swedish    | SE0007871645 | Gambling limited at max 5% of the portfolio                     | Not integrated NN Momentum             |
| 13/04/2021 | Digital Stars Europe ex UK | Daimler AG                       | DE0007100000 | RRI 56>40 (Emission cheating scandal, recall various models of  | Not integrated NN Momentum             |
| 27/04/2021 | Digital Stars Europe ex UK | Porsche Automobil Holding SE P   | DE000PAH0038 | UNGC potential violator (Environment)                           | Not integrated Price Momentum          |
| 12/05/2021 | Digital Stars Europe ex UK | LVMH Moët Hennessy Louis Vuitton | FR0000121014 | Peak RRI 61 June 19 (Animal skin, Ethical treatment of animals) | Not integrated NN Momentum             |
| 12/05/2021 | Digital Stars Europe ex UK | Kindred Group plc Shs Swedish    | SE0007871645 | Gambling limited at max 5% of the portfolio                     | Not integrated NN Momentum             |
| 25/05/2021 | Digital Stars Europe ex UK | Scandinavian Tobacco Group A     | DK0060696300 | Tobacco   | Not integrated Price Momentum          |
| 25/05/2021 | Digital Stars Europe ex UK | Holmen AB                        | SE0011090018 | Non-payment of wages and other poor working conditions of       | Sold from the portfolio Price momentum |
| 14/06/2021 | Digital Stars Europe ex UK | Banco Santander, S.A.            | ES0113900J37 | RRI 46>40 suspicion of manipulation of exchange rates, high     | Sold from the portfolio                |
| 14/06/2021 | Digital Stars Europe ex UK | Catena Media plc                 | MT0001000109 | Gambling limited at max 5% of the portfolio                     | Not integrated NN Momentum             |
| 29/06/2021 | Digital Stars Europe ex UK | Catena Media plc                 | MT0001000109 | Gambling limited at max 5% of the portfolio                     | Not integrated Price Momentum          |
| 29/06/2021 | Digital Stars Europe ex UK | Flex LNG                         | BMG359472021 | Bermuda (Fiscal paradise) based company                         | Not integrated Price Momentum          |
| 29/06/2021 | Digital Stars Europe ex UK | Porsche Automobil Holding SE P   | DE000PAH0038 | UNGC potential violator (Environment)                           | Not integrated Price Momentum          |
| 29/06/2021 | Digital Stars Europe ex UK | CaixaBank SA                     | ES0140609019 | Governance 30.45>30 Money Laundering allegations                | Sold from the portfolio                |

The detailed stock exclusion reports are available on demand.

##### ESG REPUTATIONAL RISK (Weighted average based on RepRisk Index, as of 30/06/2021)

**Digital Stars Europe Ex-UK: 9 / 100**

MSCI Europe Ex-UK: 26 / 100

Digital Stars Europe Ex-UK exhibits a weighted average ESG Reputational Risk 65% below that of its benchmark (MSCI Europe ex UK).

##### 2-YEAR PEAK ESG REPUTATIONAL RISK (Weighted average based on the 2-Year Peak RepRisk Index, as of 30/06/2021)

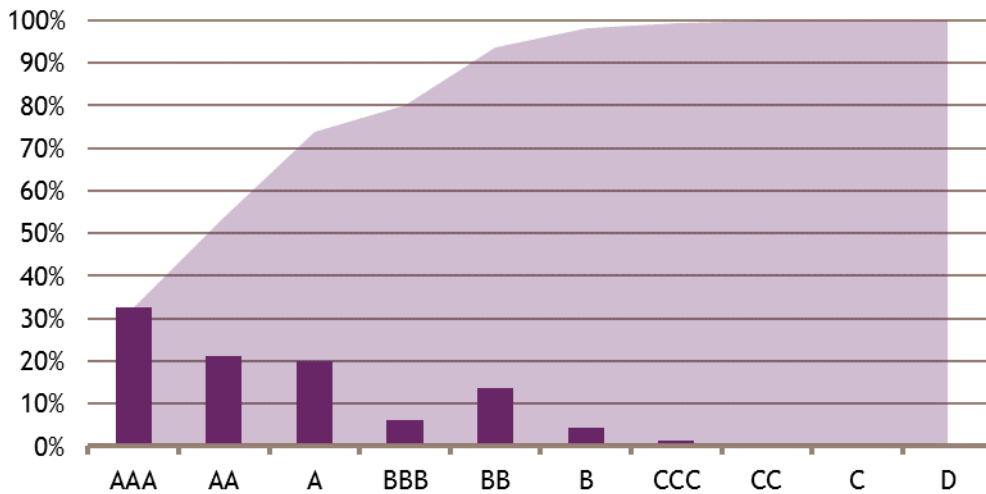
**Digital Stars Europe Ex-UK: 16 / 100**

MSCI Europe Ex-UK: 39 / 100

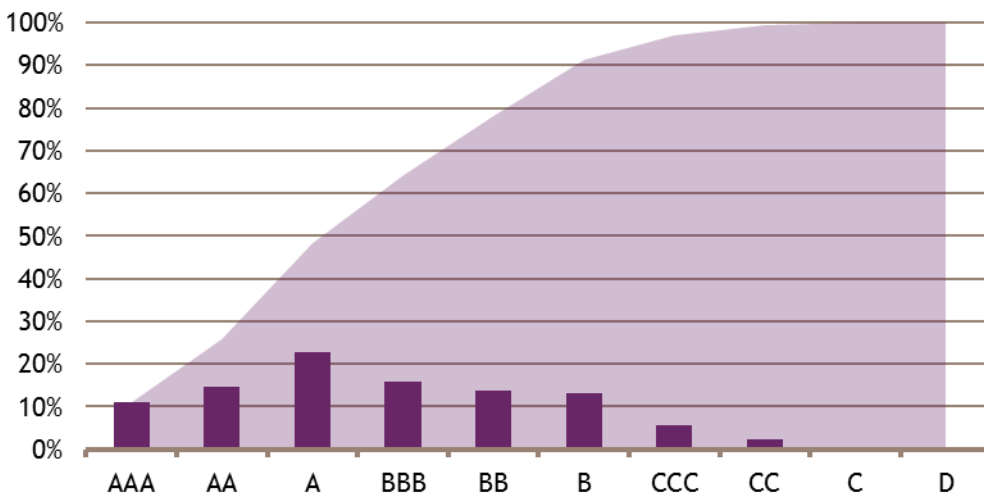
Digital Stars Europe Ex-UK exhibits a weighted average 2-year Peak ESG Reputational Risk 59% below that of its benchmark (MSCI Europe ex UK).

## ESG REPRISK RATING

### Digital Stars Europe Ex-UK



### MSCI Europe Ex-UK



74% of the fund stocks have an ESG RepRisk Rating AAA, AA, A, vs. 48% for the benchmark.

## 5. Digital Stars Eurozone

### EXCLUDED COMPANIES

2 Stocks have been excluded or not selected during Q2 2021 in a portfolio composed of 64 Stocks.

Excluded companies in Digital Stars Eurozone in Q2 2021 were from the luxury sector (for violation of ethical rules).

| Date       | Fund                   | Stock              | ISIN         | Exclusion Criteria                   | Remark                     |
|------------|------------------------|--------------------|--------------|--------------------------------------|----------------------------|
| 16/06/2021 | Digital Stars Eurozone | LVMH Moet Hennessy | FR0000121014 | Peak RRI 61 June 19 (Animal skin, B) | Not integrated NN Momentum |
| 16/06/2021 | Digital Stars Eurozone | Kering             | FR0000121485 | Peak RRI 61 June 19 Tax evasion s    | Not integrated NN Momentum |

The detailed stock exclusion reports are available on demand.

**ESG REPUTATIONAL RISK** (Weighted average based on RepRisk Index, as of 30/06/2021)

**Digital Stars Eurozone: 8 / 100**

MSCI EMU: 26 / 100

Digital Stars Eurozone exhibits a weighted average ESG Reputational Risk 69% below that of its benchmark (MSCI EMU).

**2-YEAR PEAK ESG REPUTATIONAL RISK** (Weighted average based on the 2-Year Peak RepRisk Index, as of 30/06/2021)

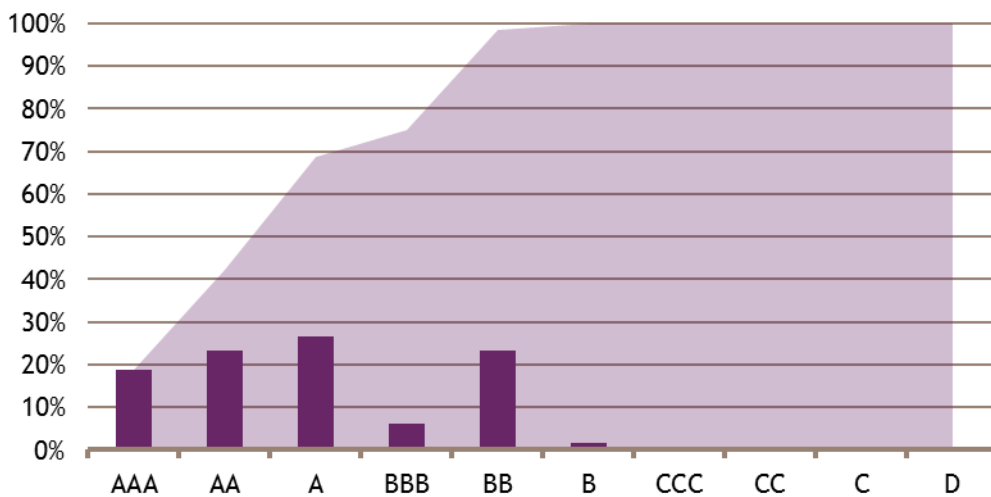
**Digital Stars Eurozone: 14 / 100**

MSCI Europe Small Cap: 40 / 100

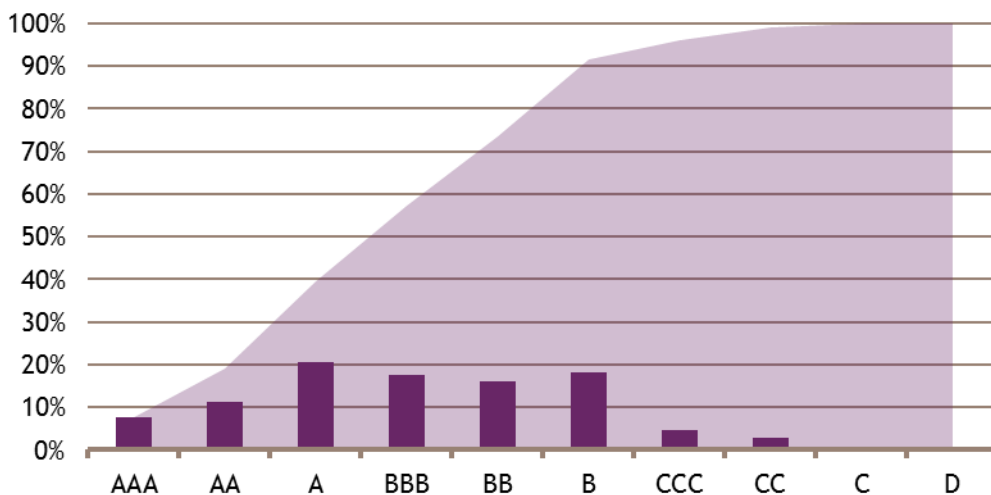
Digital Stars Eurozone exhibits a weighted average 2-year Peak ESG Reputational Risk 65% below that of its benchmark (MSCI EMU).

**ESG REPRISK RATING**

**Digital Stars Eurozone**



**MSCI EMU**



69% of the fund stocks have an ESG RepRisk Rating AAA, AA, A, vs 40% for the benchmark.

## 6. Digital Stars Europe Smaller Companies

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### EXCLUDED COMPANIES

No Stock has been excluded during Q2 2021 in a portfolio composed of 87 Stocks.

**ESG REPUTATIONAL RISK** (Weighted average based on RepRisk Index, as of 30/06/2021)

**Digital Stars Europe Smaller Companies: 3 / 100**

MSCI Europe Small Cap: 6 / 100

Digital Stars Europe Smaller Companies exhibits a weighted average ESG Reputational Risk 50% below that of its benchmark (MSCI Europe Small Cap).

**2-YEAR PEAK ESG REPUTATIONAL RISK** (Weighted average based on the 2-Year Peak RepRisk Index, as of 30/06/2021)

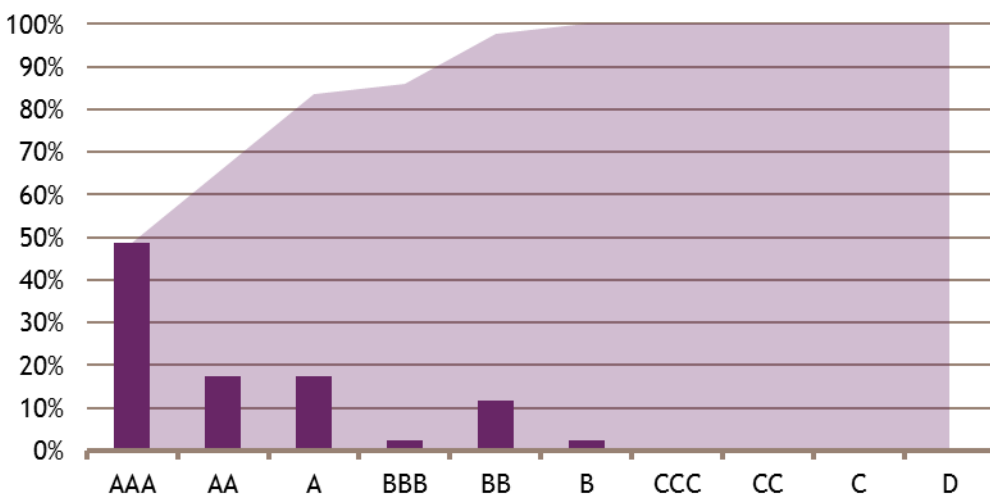
**Digital Stars Europe Smaller Companies: 9 / 100**

MSCI Europe Small Cap: 14 / 100

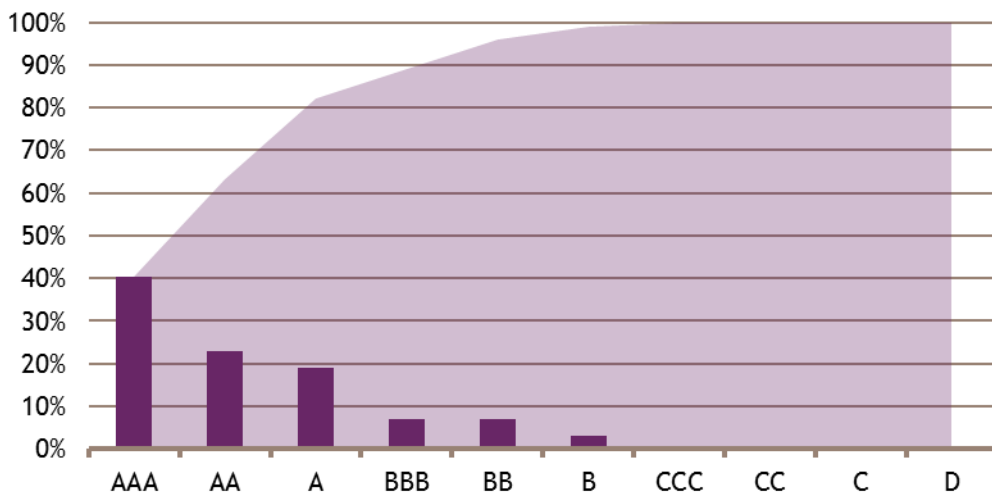
Digital Stars Europe Smaller Companies exhibits a weighted average 2-year Peak ESG Reputational Risk 36% below that of its benchmark (MSCI Europe Small Cap).

### ESG REPRISK RATING

#### Digital Stars Europe Smaller Companies



## MSCI Europe Small Cap



84% of the fund stocks have an ESG RepRisk Rating AAA, AA, A, vs 82% for the benchmark.

### 7. Digital Stars US Equities

#### EXCLUDED COMPANIES

6 Stocks have been excluded during Q2 2021 in a portfolio composed of 60 Stocks.

Excluded companies in Digital Stars US Equities in Q2 2021 were from gambling (exceeding maximum limit of 5% of the portfolio), war material production (exceeding maximum limit of 5% of the portfolio) and marine shipping (fiscal paradise) sector.

| Date       | Fund                      | Stock                 | ISIN         | Exclusion Criteria               | Remark         |
|------------|---------------------------|-----------------------|--------------|----------------------------------|----------------|
| 29/04/2021 | Digital Stars US Equities | AAR CORP.             | US0003611052 | War Material Production          | Not integrated |
| 25/05/2021 | Digital Stars US Equities | Golden Entertainment  | US3810131017 | Gambling                         | Not integrated |
| 30/06/2021 | Digital Stars US Equities | Raven Industries, Inc | US7542121089 | War Material Production          | Not integrated |
| 30/06/2021 | Digital Stars US Equities | Textron Inc.          | US8832031012 | War Material Production          | Not integrated |
| 30/06/2021 | Digital Stars US Equities | Safe Bulkers, Inc.    | MHY7388L1039 | Paradis fiscal (Inc=Marshall, HQ | Not integrated |
| 30/06/2021 | Digital Stars US Equities | Golden Entertainment  | US3810131017 | Gambling                         | Not integrated |

The detailed stock exclusion reports are available on demand.

#### ESG REPUTATIONAL RISK (Weighted average based on RepRisk Index, as of 30/06/2021)

**Digital Stars US Equities: 4 / 100**

S&P 500: 34 / 100

Digital Stars US Equities exhibits a weighted average ESG Reputational Risk 88% below that of its benchmark (S&P 500).

#### 2-YEAR PEAK ESG REPUTATIONAL RISK (Weighted average based on the 2-Year Peak RepRisk Index, as of 30/06/2021)



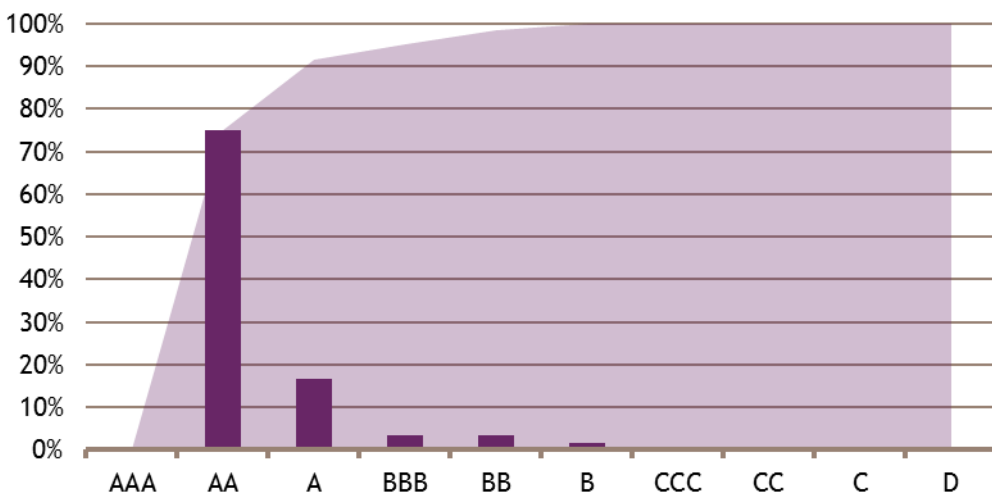
**Digital Stars US Equities: 12 / 100**

S&P 500: 44 / 100

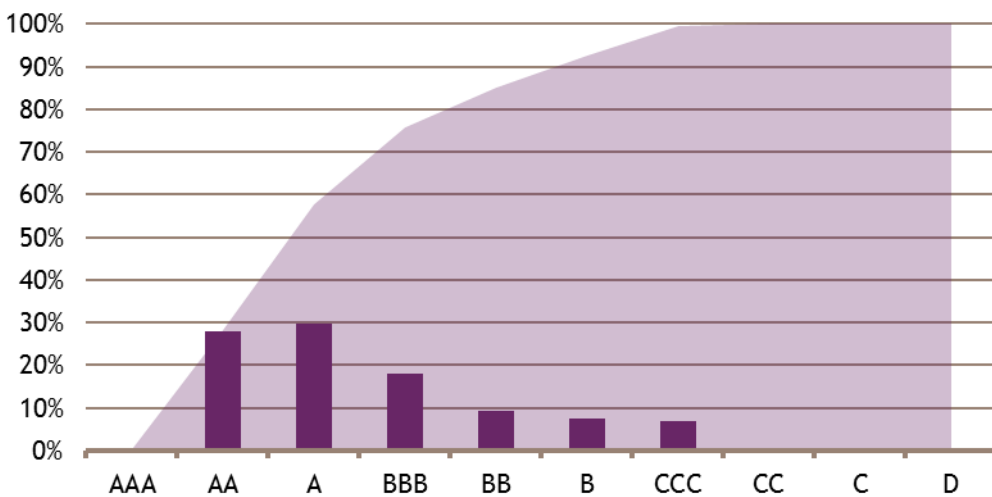
Digital Stars US Equities exhibits a weighted average 2-year Peak ESG Reputational Risk 73% below that of its benchmark (S&P 500).

**ESG REPRISK RATING**

**Digital Stars US Equities**



**S&P 500**



92% of the fund stocks have an ESG RepRisk Rating AAA, AA, A, vs 58% for the benchmark.