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### 1. Introduction

As a financial market participant within the meaning of Article 2(1) of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial sector (the "Disclosure Regulation") in conjunction with Commission Delegated Regulation (EU) 2022/1288 of 6. April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council as regards regulatory technical standards specifying the details of the content and presentation of information related to the principle of avoidance of significant detriment, the content, methods and presentation of information related to sustainability indicators and adverse sustainability impacts and the content and presentation of information related to the promotion of environmental or social features and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports, DJE Investment S. A. and DJE Kapital AG are obliged under Art. 10 of the Disclosure Regulation to create transparency

- in the advertising of ecological or social features

in the case of financial products within the meaning of Art. 8 of the Disclosure Regulation.

The corresponding information to be published in accordance with Art. 10 of the Disclosure Regulation may be obtained for the sub-fund

#### DJE – Concept

LEI: 529900HKMGHLMU337091

Unit class PA (EUR)    ISIN LU0858224032    SIN    A1J8MD

Unit class I (EUR)    ISIN LU0124662932    SIN    625797

Unit class XP (EUR)    ISIN LU1714355283    SIN    A2H62H

from the present document.

As the sub-fund is a feeder UCITS, this document should be read in conjunction with the sustainability-related

disclosures of the master UCITS.

The Master UCITS is subject to the supervision of the German supervisory authority, the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin). The Master UCITS is managed on a cross-border basis by DJE Investment S.A. The depositary of the master UCITS is DZ PRIVATBANK S.A. Frankfurt am Main branch. Only units in the master UCITS denominated in the XP (EUR) unit class (WKN: A3ENGF / ISIN: DE000A3ENGF3) are acquired.

The sustainability-related disclosures of the master UCITS can be accessed at <https://www.dje.de/transparenz-fmm-fonds>.

## 2. Main part

### a. Summary

#### 1. No sustainable investment target

In order to achieve the environmental and social characteristics promoted by the master UCITS and thus also by the feeder UCITS, the following sustainability indicators are taken into account. This financial product as well as the master UCITS promote environmental or social features but does not seek sustainable investments. However, it may be that some of the investments constitute sustainable investments within the meaning of Art. 2 No. 17 of the Disclosure Regulation, although these are not targeted.

The fund manager follows a best-in-class approach taking into account exclusions of companies that violate certain principles in order to reduce potential negative environmental and social impacts.

Are the principal adverse impacts ("PAI's") of investment decisions on sustainability factors considered for this sub-fund respectively master UCITS?  Yes  
 No

#### 2. Environmental or social characteristics of the financial product

Exclusion criteria  ESG-integration  
 Sustainable investments  [others]

#### 3. Investment strategy

. The sub-fund permanently invests at least 85% of its net sub-fund assets in units of the master UCITS.

The master UCITS is subject to supervision by the German supervisory authority, the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin). The Master UCITS is managed on a cross-border basis by DJE Investment S.A.. The depositary of the master UCITS is DZ PRIVATBANK S.A. Frankfurt am Main branch. Only units in the master UCITS denominated in the unit class XP (EUR) (WKN: A3ENGF / ISIN: DE000A3ENGF3) are acquired.

Detailed information on the sub-fund's investment policy can be found in the prospectus of the sub-fund.

#### 4. Breakdown of investments

The applied exclusion criteria are used for all direct investments in the master UCITS.

#### 5. Monitoring of environmental or social characteristics

Compliance with the exclusions listed under "Investment Strategy" and "Description of Environmental or Social Characteristics" is checked in the pre-trade process by means of negative lists, which are stored in the order management system and updated at least quarterly. In the post-trade process MSCI ESG Research LLC updates the data on a weekly basis. The sustainability indicators integrated in the investment process are listed below:

Exclusion criteria  ESG-integration  
 Sustainable investment  [andere]

#### 6. Methods for environmental or social characteristics

The following methods are used for the master UCITS to check the described best-in-class approach and the listed exclusions. For the exclusions, negative lists are created using data from MSCI ESG Research LLC:

Exclusion criteria Defined exclusion criteria are checked using external data fields for all investments in the portfolio (negative list) of the master UCITS.

<input checked="" type="checkbox"/> ESG-integration	The fund manager follows a best-in-class approach taking into account exclusions of companies that violate certain principles for reducing potential negative environmental and social impacts.
<input type="checkbox"/> Sustainable investment	The sub-fund as well as the master UCITS do not aim for a minimum quota in sustainable investments within the meaning of Art. 2 No. 17 of the Disclosure Regulation.

### 7. Data sources and processing

As part of the best-in-class approach, potential companies are rated using an in-house rating methodology based on external ESG data (MSCI ESG Research LLC.) as well as proprietary research results. In case of doubt, the fund manager may subject the available data to a review by a committee.

### 8. Limitations regarding methods and data

The methods and data are limited insofar as data are not available or cannot be supplied for all securities. In addition, data for an individual issuer may not be available to a sufficient extent. Furthermore these data may be based on estimates. Securities without data are classified as "other investments", which may exceed 50% of the assets of the master UCITS. This also includes bank deposits and derivatives.

### 9. Investment verification (due diligence)

The master UCITS is subject to the investment process of the Fund Manager:

**1/ Stock selection:** The stock selection process includes analyst assessment, company interview, sustainability/ESG criteria, valuation, momentum and safety & liquidity categories. In each category a score is assigned in the range of -10 to +10, with -10 being the worst ranking and +10 being the best. All six categories are equally weighted in the standard process.

**2/ Exclusions:** The exclusion criteria applied reduces the potential investment universe.

### 10. Participation Policy

The participation policy of DJE Investment S.A. is available to investors free of charge on the website [www.dje.lu](http://www.dje.lu) under the header "Legal Notice".

### 11. Determined reference value

A reference value has not been determined for the sub-fund to determine whether this financial product is aligned with the advertised environmental and/or social characteristics.

#### b. No sustainable investment objective

In order to achieve the environmental and social characteristics promoted by the master UCITS and thus also by the feeder UCITS, the following sustainability indicators are taken into account. This financial product as well as the master UCITS promote environmental or social features but does not seek sustainable investments. However, it may be that some of the investments constitute sustainable investments within the meaning of Art. 2 No. 17 of the Disclosure Regulation, although these are not targeted.

#### c. Description of the environmental or social characteristics

The sub-fund permanently invests at least 85% and up to 100% of its net sub-fund assets in units of the master UCITS.

The following environmental and/or social features are advertised with the financial product:

- Consideration of environmental, social and corporate governance exclusion criteria.
- Consideration of the main adverse effects of investment decisions of the sub-fund on sustainability factors.
- Minimum quota of 50% of fund assets in securities with an ESG rating MSCI ESG Research LLC of at least BB

In order to achieve the environmental and social characteristics promoted by the master UCITS and thus also by

the feeder UCITS, the following sustainability indicators are taken into account.

In managing the sub-fund the Management Company takes into account, among other things, environmental and/or social characteristics and invests in companies that apply good corporate governance practices. In this regard the fund manager follows a best-in-class approach taking into account exclusions of companies that violate certain principles in order to reduce potential negative environmental and social impacts.

The sub-fund does not aim for a minimum quota in sustainable investments within the meaning of Art. 2 No. 17 of the Disclosure Regulation.

As part of the best-in-class approach potential companies are rated using an in-house rating methodology based on external ESG data (MSCI ESG Research LLC.) as well as the company's own research results. The rating methodology is based on sub-areas comprising different indicators. One of these is the final assessment, which the analyst concludes because of the fundamental analysis and the personal contact with the company. Like all other sub-areas he quantifies this with a rating of -10 to 10. Together with the call quality from the personal contact with the company the analyst's assessment is included in the final individual stock rating.

In case of doubt the fund manager can subject the available data to a review by a committee. During the review the committee may conclude that the data do not adequately reflect the actual situation and correct them in such a way that a more adequate reflection of reality is created. In the review the committee shall take into account other criteria, such as development prospects with regard to ESG factors voting rights exercise or general economic development prospects.

Companies will be excluded that are active in the following controversial business areas and generate sales through involvement in the following business areas:

- controversial/outlawed weapons (e.g. landmines, cluster bombs, weapons of mass destruction)
- classification "Red" for controversies related to the environment (Environmental Controversy Flag: This indicator measures the assessment of controversies (if any) related to a company's impact on the environment. Factors affecting this assessment include whether a company is involved in controversies related to land use and biodiversity, toxic releases, energy and climate change, water management, non-hazardous operational waste, environmental impacts of products and services and management of supply chain environmental impacts.)
- classification "Red" for controversies related to the climate (Environment Climate Flag: This indicator measures the severity of controversies related to a company's climate change and energy policies and initiatives. Factors affecting this score include previous involvement in legal cases related to greenhouse gases, widespread or egregious impacts due to the company's greenhouse gas emissions, resistance to improved practices and criticism from NGOs and/or other observers)
- military equipment (Exclusion if sales > 5% of total sales)
- coal for power generation (Exclusion if sales > 30% of total sales from production and/or distribution)
- tobacco products (Exclusion if sales > 5% of total sales from production and/or distribution)

On the other hand companies that pursue controversial business practices are excluded. This includes companies that clearly violate one or more of the ten principles of the "United Nations Global Compact" without any prospect of positive change (available on the Internet at <https://www.unglobalcompact.org/whatis-gc/mission/principles>). These consist of requirements regarding human and labor rights, environmental protection and corruption. Accordingly companies categorized as "Fail" in terms of compliance with the UN Global Compact are excluded. "Fail" indicates that the company is involved in one or more ESG controversies where there are credible allegations that the company or its management has violated global standards.

In addition sovereign issuers are excluded if they have an inadequate score (Exclusion if classification "not free") according to the Freedom House Index (<https://freedomhouse.org/>) and/or according to the World Bank Governance Indicators (<https://info.worldbank.org/governance/wgi/>).

The above exclusions only apply to direct investments.

The Fund Manager shall take into account the principal adverse impacts of the sub-fund's investment decisions on sustainability factors (so-called "principle adverse impacts" ("PAI's")) within the meaning of Article 7(1)(a) of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial services sector. Sustainability factors are defined in this sense as environmental, social and employee concerns, respect for human rights and the fight against corruption and bribery. This only applies to direct investments.

Excluded from acquisition are target funds that contain investments of more than 0.49% in issuers that are

- clearly and without prospect of positive change violate one or more of the ten principles of the United Nations Global Compact.
- generate more than 10% of their sales from defense equipment.
- generate more than 30% of total sales from the production and/or sale of thermal coal.
- generate more than 5% of their total sales from the production and/or sale of tobacco.
- violate social regulations (state issuers.).

The aforementioned threshold of 0.49% refers in each case to the individual exclusion criterion.

Furthermore, target funds are excluded from acquisition if they contain investments of more than 0% in companies that

- produce controversial/outlawed weapons (e.g. landmines, cluster bombs, weapons of mass destruction).

At least 50% of the assets of the master UCITS must be invested in securities for which an MSCI ESG Research LLC ESG rating of at least BB is available.

The fund manager takes into account the main adverse impacts of investment decisions of the Master UCITS sub-fund on sustainability factors (so-called "principle adverse impacts" ("PAI's")) within the meaning of Article 7 (1) a) of Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019 on sustainability-related disclosures in the financial services sector. Sustainability factors are defined in this sense as environmental, social and employee matters, respect for human rights and the fight against corruption and bribery. This only applies to direct investments.

The listed main adverse sustainability impacts correspond to those listed in Table 1 of Annex I to Commission Delegated Regulation (EU) 2022/1288 of 6. April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council as regards regulatory technical standards specifying the details of the content and presentation of information related to the principle of avoidance of significant harm, the content, methods and presentation of information related to sustainability indicators and adverse sustainability impacts and the content and presentation of information related to the promotion of environmental or social features and sustainable investment objectives in pre-contractual documents, websites and periodic reports:

- GHG emissions
- Carbon footprint
- GHG emissions intensity of the companies in which investments are made
- Exposure to fossil fuel companies
- Share of energy consumption and generation from non-renewable energy sources
- Intensity of energy consumption by climate-intensive sectors
- Activities that adversely affect areas with biodiversity in need of protection
- Emissions to water
- Percentage of hazardous and radioactive waste

- Violations of the UNGC Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with the UNGC Principles and the OECD Guidelines for Multinational Enterprises
- Unadjusted gender pay gap.
- Gender diversity in governance and oversight bodies
- Engagement in controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons)
- GHG emission intensity
- Countries invested in that violate social regulations
- Investments in companies without initiatives to reduce CO2 emissions
- Lack of due diligence

Consideration is given in this regard through exclusion criteria and/or engagement and/or voting.

**d. Investment strategy**

The sub-fund permanently invests at least 85% of its net sub-fund assets in units of the master UCITS.

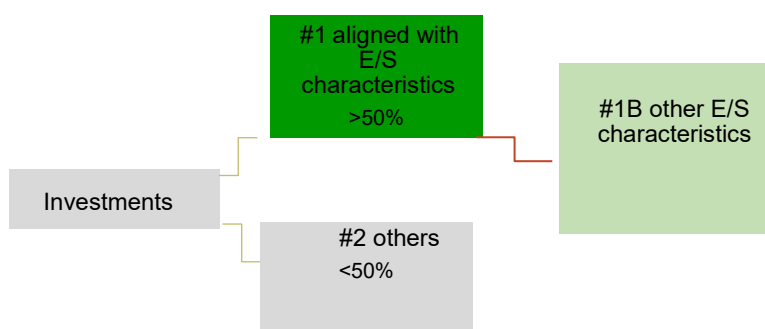
Detailed information on the sub-fund's investment policy can be found in the sub-fund's sales prospectus.

**e. Breakdown of investments**

The sub-fund permanently invests between 85% and 100% of its net sub-fund assets in units of the master UCITS.

The exclusion criteria described in the above section are applied to all direct investments of the master UCITS.

At least 50% of the assets of the master UCITS must be invested in securities for which an MSCI ESG Research LLC ESG rating of at least BB is available.



**f. Monitoring of environmental or social characteristics**

The exclusion criteria described in the above section are applied to all direct investments.

At least 50% of the assets of the master UCITS must be invested in securities for which an MSCI ESG Research LLC ESG rating of at least BB is available.

Compliance with the exclusions listed under "Investment Strategy" and "Description of Environmental or Social Characteristics" is checked in the pre-trade process by means of negative lists that are stored in the order management system and updated at least quarterly.

In addition post-trade monitoring is carried out via a data warehouse. Here the data is updated weekly by MSCI ESG Research LLC. The current portfolio of the sub-fund as well as the master UCITS are checked against the data to determine whether there is a possible passive investment violation due to changes in the data.

#### **g. Methods for environmental or social characteristics**

At least 50% of the fund's assets must be invested in securities for which an MSCI ESG Research LLC ESG rating of at least BB is available.

The fund manager follows a best-in-class approach taking into account exclusions of companies that violate certain principles for the purpose of reducing potential negative environmental and social impacts. The exclusions are explained in the section "Description of environmental or social characteristics".

Negative lists are created for the exclusions using data from MSCI ESG Research LLC. Each exclusion is assigned the appropriate data fields.

Compliance with the exclusion criteria is ensured by the Company using its internally applied systems and controls.

#### **h. Data sources and processing**

A data package provided by MSCI ESG Research LLC serves as the main data supply.

In case of doubt the fund manager may verify the available data to a review by a committee. During the review the committee may come to the conclusion that the data does not adequately reflect the actual situation and correct it in such a way that a more adequate reflection of reality is created.

Potential companies are rated using an in-house rating methodology based on external ESG data (MSCI ESG Research LLC.) as well as proprietary research results. The rating methodology is based on sub-areas comprising different indicators. One of these is the final assessment, which the analyst concludes because of the fundamental analysis and the personal contact with the company. Like all other sub-areas he quantifies this with a rating of -10 to 10. Combined with the dialogue quality from the personal contact with the company, the analyst's assessment enters into the final individual stock assessment. If in the case of existing target investments, the target investment receives a negative rating and the above-mentioned committee concurs with the database assessment, these target investments are generally sold. During the review the committee takes into account other criteria, such as development prospects with regard to ESG factors, exercise of voting rights or general economic development prospects.

On the one hand, the data can be accessed via a web portal of MSCI ESG Research LLC. In addition the data supplied on a weekly basis is stored in a separate data warehouse and appropriately stored. This data can be accessed through individual queries as well as through specially created reports.

#### **i. Limitations regarding methods and data**

The methods and data are limited insofar as data are not available or cannot be supplied for all securities. In addition data for an individual issuer may not be available to a sufficient extent. Furthermore these data may be

based on estimates.

Securities without data are classified as "other investments", which may not exceed 50% of the assets of the master UCITS. This also includes bank deposits and derivatives.

#### j. **Due diligence**

In order to maintain due diligence in relation to the underlying assets of the Sub-Fund, the Fund Manager has various internal and external methods of monitoring due diligence.

Investment Selection:

Stock selection forms one part. The security selection process includes the categories of analyst assessment, company interview, sustainability/ESG criteria, valuation, momentum and safety & liquidity. In each category a score is assigned in the range of -10 to +10, with -10 being the worst ranking and +10 being the best. All six categories are equally weighted in the standard process, meaning that sustainability aspects are given the same importance as, for example, valuation. In the Sustainability/ESG category, the scoring evaluation is done with the help of qualitative results from MSCI ESG Research LLC. The fund manager may submit the existing data to a review by a committee in case of doubt. The committee may conclude during the review that the data does not adequately reflect the actual situation and correct it to the extent that a more adequate reflection of reality is created.

The exclusion criteria applied will reduce the potential investment universe.

Ongoing Monitoring:

Invested assets are additionally screened daily against the applied exclusions. In case of an alert it will be reviewed. If there is a violation of an existing investment, e.g. due to a change in the data situation, it is the fund manager's decision to dispose of the investment in a manner that protects the interests of the fund.

Code of Conduct:

As a member of the German Federal Association of Investment Funds the fund manager undertakes to comply with the established rules of conduct. In accordance with the rules of conduct the management board and supervisory board of the fund manager work to ensure good corporate governance on the part of the fund manager. Reporting on the fund manager is carried out in accordance with regulatory and statutory requirements.

#### k. **Participation Policy**

Information on the Management Company's principles and strategies for the exercise of voting rights deriving from the assets held on behalf of the fund as well as the participation policy pursuant to Article 1sexies (1) of the Law of 24 May 2011 on the exercise of certain rights of shareholders in the general meetings of listed companies (as amended) ("Law of May 24, 2011") may be obtained by investors free of charge on the website [www.dje.lu](http://www.dje.lu) under the heading "Legal Notices".

Companies in which investments have been made are monitored with regard to important matters with the help of the analyses of a voting advisor within the meaning of Art. 1 (6) no. 2 of the Law of May 24, 2011, including strategy, financial and non-financial performance and risk, capital structure, social and environmental impact and corporate governance. IVOX GLASS LEWIS GMBH acts as voting advisor. DJE Investment S.A. will vote via the voting advisor's platform in relation to the respective general meeting and grant the voting advisor the right to proxy vote.



The Management Company or the Fund Manager, as the case may be, will attempt to generate an improvement on certain sustainability indicators for adverse impact through proxy voting at the General Meetings and/or engagement on the part of the Company.

The management company or the fund manager tries to generate an improvement on certain sustainability indicators for adverse effects by voting at the general meetings and/or engagement on the part of the company.

Engagement is understood as the partnership-based, constructive and documented dialogue with the management of the invested companies on certain PAIs, among others. Critical questions regarding ESG will help to improve assessment of sustainability opportunities and risks associated with a business model in terms of sustainability and to transfer them into the analysis of key financial figures.

**I. Determined reference value**

A reference value has not been determined for the sub-fund to determine whether this financial product is aligned with the advertised environmental and/or social characteristics.

**3. Information pursuant to Article 8 of the Disclosure Regulation**

The information to be published in accordance with Art. 8 of the Disclosure Regulation is part of the sales prospectus published for the sub-fund and is listed in the sub-fund-specific appendix.

**4. Information pursuant to Article 11 of the Disclosure Regulation**

The information published in accordance with Art. 11 of the Disclosure Regulation is part of the annual report published for the sub-fund.

**5. Modification history**

Version	Modifications
01/2023	initial issue
10/2023	Adjustment based on changes in the sales prospectus. Inclusion of target fund criteria as well as reference to minimum quota of 50% of the fund assets in securities for which an ESG rating MSCI ESG Research LLC of at least BB is available
04/2024	Update due to the conversion of the sub-fund into a feeder UCITS