



# Exclusion Policy

December 2024

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**New Alpha Asset Management**, société par actions simplifiée au capital de 2 435 540 €  
450 500 012 RCS Paris · N° TVA : FR 18450500012 · Société de gestion de portefeuille agréée par  
l'AMF sous le n° GP 05000001 du 20/01/2005 · [www.amf-france.org](http://www.amf-france.org)

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The following exclusion policy applies to multi-management and private equity funds. In the case of mandates and dedicated funds, the option to apply this exclusion policy is offered to clients, who remain the final decision-makers.

The data sources used to ensure that portfolios comply with the exclusion policy are Morningstar/Sustainalytics and the Urgewald database.

## Normative Exclusions

Companies that violate fundamental human rights are excluded from the investment universe. This includes companies that clearly and repeatedly violate one or more of the ten principles of the United Nations Global Compact (UNGC). These principles encompass the fundamental values of human rights, labor standards, environmental protection, and anti-corruption efforts. Asset management companies must have the means to assess these violation situations.

Asset managers using a controversy assessment system will at least exclude companies identified at the highest controversy level (5/5 according to Morningstar/Sustainalytics criteria).

Companies or countries that are subject to an embargo or financial sanction are also excluded.<sup>1</sup>

### Controversial weapons

This applies to companies involved in the manufacturing, trading, storage, or provision of services for weapons prohibited by international conventions: anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium ammunition, nuclear weapons, and white phosphorus weapons. The exclusion of companies engaged in these activities is effective from the first euro of revenue.

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<sup>1</sup> The list of countries under embargo is provided by the internal control team; the list of financial sanctions is based on information from the *Financial Markets Authority*.

Prohibited by the Ottawa Convention of December 3, 1999

Oslo Treaty of December 3, 2008, which prohibits their use, production, storage, and transfer

Prohibited by the Convention on Biological Weapons of April 10, 1972, and by the Convention on Chemical Weapons of September 3, 1992

## Sector-specific exclusions

### Tobacco

Companies that derive at least 5% of their revenue from the manufacturing or distribution of tobacco products are excluded from the investment universe.

### Fossil Fuels - Coal

The thermal coal exclusion policy is based on three criteria, depending on the extent of the activities considered.

Area of activity	Exclusion criteria*
Electricity production from thermal coal	Companies that derive more than 10% of their revenue from coal energy production are excluded.
Extraction of thermal coal	Companies with more than 10% of their revenue coming from coal extraction or exploitation are excluded.
New projects	Companies developing new projects and expanding their activities in the coal sector are excluded.

\* Asset management companies invested by New Alpha may benefit from a 12-month period to adjust their strategy to these thresholds.

By 2030, asset management companies with residual exposure to thermal coal will no longer be eligible for investment.

### Fossil Fuels - Oil and Gas

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While oil and gas<sup>2</sup> are not currently excluded from the investment universe, asset managers are encouraged to define a policy for the gradual elimination of fossil fuels within 24 months of the investment. This includes unconventional oil and gas, as well as fossil fuel exploration projects.

New Alpha monitors portfolio exposure to coal, oil, and gas companies through Morningstar/Sustainalytics, as well as the Global Coal Exit List and Urgewald's Global Oil Exit List.

To ensure that our investments are in line with our exclusion policy, compliance checks have been implemented at three levels:

**Pre-investment:** during the due diligence phase, the exclusion policy of the fund in question will be compared to our exclusion policy, and a thorough evaluation will also be conducted.

**Every three months,** all relevant portfolios are reviewed to ensure compliance with the exclusion policy; a meeting is held within the investment team to analyze potential violations.

**Every year,** during the annual update of the ESG dashboards, the exclusion policies of the underlying funds will be reviewed to ensure compliance with New Alpha's exclusion policy, and to check for any changes or enhancements.

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<sup>2</sup> Our definition of unconventional oil and gas follows that of *Urgewald*: Fracturing, oil sands, coal gas (methane), extra-heavy oil, ultra-deepwater, and Arctic oil. The definition of Arctic oil is based on the geographical definition provided by the Arctic Monitoring and Assessment Programme (AMAP) of the Arctic Council.