

Updated as of November 2025

Disclosure on “ESG integration” practices

Each sub fund follows different approaches for the ESG integration. So far only the sub funds managed by the delegate investment manager Banca Finnat implement ESG integration in the investment process. In this purpose the above mentioned Investment Manager follows two kind of criteria:

- the average portfolio ESG rating and
- a set of additional investment restrictions applied to each specific sub fund.

In this regard:

the **average portfolio's ESG Rating**, is determined, in house and at least monthly, on an increasing scale ranging from 0 (less virtuous) to 100 (more virtuous), processing on a weighted basis (excluding cash and derivatives component) the scores assigned by external ESG rating providers, again on a scale from 0 to 100, to each asset held in the portfolio.

The synthetic score is assigned to each security based on environmental, social and governance (ESG) factors. Aggregate ESG performance encompasses a security's level of preparedness, disclosure and controversy involvement across all three ESG themes.

Where the aforementioned providers do not issue a rating for certain security or the issuer held in the portfolio (for example medium and small companies), while remaining eligible from an ESG point of view, the rating of the issuer or a score of zero will be cautiously assigned

Specific restrictions and investment limits mean additional and specific limits and restrictions of an active and passive nature imposed to the Investment Manager as described in the appendices of the affected sub funds in the paragraph entitled "Sustainability criteria in investment decisions".

The ESG rating providers used, both for the purpose of calculating the average portfolio's ESG Rating and for the purpose of complying with the additional investment restrictions and limits, are leading independent companies whose data are, usually, published on Bloomberg.

Sustainability risk

In accordance with article 2 of the Disclosure Regulation, sustainability risk is defined as an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment. The impact of environmental, social and governance factors on the value of an investment may vary depending not only on its business activities (e.g. asset type, the sector, size, geographic location and the stage in the life cycle, and liabilities) but also on the governance and strategy of the company for managing them. In accordance with article 3 of the Disclosure Regulation, sustainability risks are integrated in the investment decision-making process of the Fund. The risk assessments and investment decisions are based on internal and external research and assessments on sustainability factors and sustainability risks.

At the present the Fund does not consider “principal adverse impacts” of investment decisions on sustainability factors (as described at the article 4 and 7.2 of the SFDR. The decision not to consider principal adverse impacts of investment decisions on sustainability factors is motivated by a lack of relevant data of a satisfactory quality.

In this case, duties, deadlines and similarly and disclosures will be respected and included in a future version of the Prospectus, as required and taking into due account of the size, the nature and scale of the activities and the types of financial products made available.