***Information to be published and maintained on websites as per SFDR-level I Art. 10(1) and SFDR-level II Art. 23 and Art. 37-49 for a SFDR-Art. 9 product***

## Informazioni sulla sostenibilità

A seguito dell'entrata in vigore del Regolamento Delegato (UE) 2022/1288 della Commissione del 6 aprile 2022 (la "**SFDR – II livello**") che integra il regolamento (UE) 2019/2088 del Parlamento Europeo e del Consiglio (la "**SFDR – I livello**") per quanto riguarda le norme tecniche di regolamentazione che specificano i dettagli del contenuto e della presentazione delle informazioni relative al principio «non arrecare un danno significativo», che specificano il contenuto, le metodologie e la presentazione delle informazioni relative agli indicatori di sostenibilità e agli effetti negativi per la sostenibilità, nonché il contenuto e la presentazione delle informazioni relative alla promozione delle caratteristiche ambientali o sociali e degli obiettivi di investimento sostenibile nei documenti precontrattuali, sui siti web e nelle relazioni periodiche, che sono parte del pacchetto di misure dell'UE circa le questioni ambientali, sociali e di governance, "), NEAM (di seguito "**NEAM**" o la "**Società di gestione**") si impegna a pubblicare sul proprio sito web informazioni conformi al capitolo IV della SFDR – II livello.

## Sintesi

- **Nome del Comparto: NEF Ethical Global Trends SDG**

- <u>Nessun danno significativo all'obiettivo di investimento sostenibile</u>: l'analisi di non nuocere significativamente ("DNSH") prende in considerazione l'impatto negativo di ciascuna società inclusa nel portafoglio, in base ad un indicatore di sostenibilità avversa. Il Comparto considera e mitiga gli impatti negativi dei propri investimenti sulla società e sull'ambiente attraverso una combinazione di processi interni come il rating ESG, le strategie di esclusione, l'analisi DNSH, analisi delle controversie, analisi delle garanzie minime, dell'impegno e analisi dell'evoluzione del PAI (vale a dire il Principal Adverse Impact).

- <u>Obiettivo di investimento sostenibile del prodotto finanziario</u>: Il Comparto adotta un approccio sostenibile per gli investimenti, investendo solo in società che possono, direttamente o indirettamente, contribuire al raggiungimento degli Obiettivi di sviluppo sostenibile ("SDGs") definiti dalle Nazioni Unite.

- <u>Strategia di investimento</u>: questo Comparto persegue una strategia basata sull'investimento in titoli azionari di società quotate in borse in tutto il mondo e cerca di investire principalmente in azioni emesse da società con profili ambientali, sociali e di governance di alta qualità e che contribuiscano al raggiungimento degli Obiettivi di Sviluppo Sostenibile definiti dalle Nazioni Unite, come descritto nelle seguenti sezioni. L'obiettivo di investimento sostenibile viene perseguito in modo continuativo nell'ambito del processo di investimento.

- <u>Quota degli investimenti</u>: Il Comparto investe almeno l'85% del proprio patrimonio netto in investimenti sostenibili. All'interno di questa categoria, il 100% del patrimonio del Comparto è costituito da investimenti sostenibili con un obiettivo sociale.

- Monitoraggio dell'obiettivo di investimento sostenibile: la conformità degli investimenti agli obiettivi sostenibili viene monitorata su base trimestrale attraverso uno screening quantitativo e un processo di revisione approfondito che consentono alla Società di Gestione di verificare se le attività sottostanti sono investite secondo la strategia di sostenibilità.

- Metodologie: il raggiungimento degli obiettivi sostenibili è misurato attraverso la valutazione del punteggio di impatto degli SDGs, della buona governance delle società partecipate, del rispetto degli standard internazionali e del rispetto dei principi DNSH.

- Fonti e trattamento dei dati: il Gestore degli investimenti utilizza dati provenienti da fornitori di dati terzi e dall'analisi interna dei dati pubblici delle società partecipate. La qualità dei dati è garantita dall'analisi di coerenza temporale e da un'analisi di aggregazione di mercato. La qualità dei dati utilizzati dalla Società di gestione è garantita dalla diversificazione.

- Limitazioni delle metodologie e dei dati: il Gestore degli investimenti si affida ai dati forniti da fornitori di dati terzi che potrebbero essere distorti a seconda della loro metodologia. Tuttavia, lo stesso Gestore degli investimenti si impegna al massimo per verificare tali dati, analizzando le apparenti incongruenze.

- Due Diligence: il Gestore degli investimenti svolge un'adeguata due diligence relativa ai rischi di sostenibilità delle sue strategie d'investimento secondo un approccio basato su tre fasi.

- Politiche di impegno: il Gestore degli investimenti si impegna a confrontarsi le società partecipate ogniqualvolta si presentino elementi critici e si assicura che i voti siano espressi in un'ottica sostenibile. La Società di gestione incoraggia il Gestore degli investimenti a svolgere un ruolo attivo.

- Raggiungimento dell'obiettivo di investimento sostenibile: non è disponibile un parametro di riferimento per la transizione climatica dell'UE o un parametro di riferimento allineato all'accordo di Parigi sul clima, come definito all'articolo 3, punti (23a) e (23b), del regolamento (UE) 2016/1011.

## *No significant harm to the sustainable investment objective*

While the principal adverse impacts ("PAIs") analysis takes into consideration the negative impact of the whole portfolio, according to a number of factors set by the regulator (named Adverse sustainability indicators), the DNSH analysis takes into consideration the negative impact of a single investee company included in the portfolio, according to the same above-mentioned factors (Adverse sustainability indicators). The focus of the DNSH analysis is not the intensity recorded for each factor, but its dynamics. To resume, it is important that the investee company demonstrates an improving trend, that shows that the company is gradually minimizing the negative impact of its business.

The Sub-Fund considers and mitigates adverse impacts of its investments on society and environment through a combination of internal process like ESG rating, exclusion strategies, DNSH analysis, Controversies analysis, Minimum Safeguards analysis, engagement and PAI evolution analysis.

Regarding Table 1 Principal Adverse Impacts are taken into account in the different processes as shown in the following table:

| Principal adverse impacts | ESG Score | Exclusion strategy | DNSH analysis | Minimum Safeguard | Controversies | Engagement | PAI evolution analysis |
|---|---|---|---|---|---|---|---|
| 1. GHG emissions | yes | | Yes | | | Yes | yes |
| 2. Carbon footprint | yes | | Yes | | | Yes | yes |
| 3. GHG intensity of investee companies | yes | | Yes | | | Yes | yes |
| 4. Exposure to companies active in the fossil fuel sector | | yes | Yes | | | Yes | yes |
| 5. Share of non renewable energy consumption and production | yes | | Yes | | | Yes | yes |
| 6. Energy consumption intensity per high impact climate sector | yes | | Yes | | | Yes | yes |
| 7. Activities negatively affecting biodiversity sensitive areas | yes | | Yes | | Yes | Yes | yes |
| 8. Emissions to water + (Emissions to Water / revenues)* | yes | | Yes | | | Yes | yes |
| 9. Hazardous waste ratio + (hazardous waste / revenues)* | yes | | Yes | | | Yes | yes |
| 10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises | | | Yes | Yes | Yes | Yes | yes |
| 11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises | | | Yes | Yes | Yes | Yes | yes |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 12. Unadjusted gender pay gap | | | Yes | | Yes | Yes | yes |
| 13. Board gender diversity | | | Yes | | | Yes | yes |
| 14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons) | | yes | Yes | | | Yes | yes |

*The delegated Investment Manager will also consider those two PAIs as a % of revenues, not just on absolute value (tons).

Those processes are used to verify to what extent the company works to minimise the negative impact of its business.

The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the principles and rights set forth in the eight fundamental conventions identified in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights, based on third-party providers, and/or controversies analysis and/or investee company's management feedback. Should violations occur in these areas, the investment manager will first engage with the company and then, if the violation persists, a liquidation procedure for the investment will be enacted.

## *Sustainable investment objective*

The Sub-Fund seeks to invest mainly in stocks issued by companies with high quality Environmental, Social and Governance (ESG) profiles and that contribute to the achievement of the Sustainable Development Goals (SDGs) as defined by the United Nations understanding that SDG compliance is a prerequisite for the investment. The Sub-Fund has a sustainable approach to the investments by only investing in companies that can, directly or indirectly, help the achievement of the SDGs, as stated by the UN.

All companies must have an SDG score assessed by the Investment Manager through its own sustainable analysis while each component of the portfolio has to pass the SDGs test performed by the Investment Manager.

Finally, this Sub-Fund has not designated a reference benchmark for the purpose of attaining the sustainable investment objective.

## *Investment strategy*

This Sub-Fund pursues a strategy based on investment on equity securities of companies listed on the world's stock exchange with a primarily focus on equity securities of companies domiciled in developed countries with the possibility to invest into equity securities of emerging countries, as further specified in the Prospectus.

The Sub-Fund seeks to invest mainly in stocks issued by companies with high quality Environmental, Social and Governance profiles and that contribute to the achievement of the Sustainable Development Goals as defined by the United Nations as described in the following sections.

The Investment Manager analyses the practices used by the companies in the domains of environmental, social and governance on a continuous basis as part of the stock selection process, as one of the instruments to minimize the negative impact of the investments.

The first step in the investment strategy is the application of exclusion criteria. An exclusion list will be made of companies that are to be excluded if their main business activity is involved in some of the following business areas:

- Weapons (armaments and cluster bombs)
- Gambling
- Tobacco
- Pornographic material
- Coal
- Integrated Oil and Gas
- Oil and Gas Exploration and Production
- Oil and Gas Drilling
- Oil-related Services and Equipment

The Investment Manager will follow the exclusion list as per the above elements.

If an issuer business activity becomes involved in the above after investment, the Investment manager should sell it within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

Moreover, the Sub-Fund will not invest in companies that are in breach of the OECD Guidelines for Multinational Enterprises, ILO standards, UNGPs, or UNGC, based on third-party providers, and/or controversies analysis and/or investee company's management feedback . Should violations occur across any company held in the portfolio, the investment manager will first engage with the company and then, if the violation persists, a liquidation procedure for the investment will be enacted.

The second step consists in assessing the ESG profile of the company through both:

- a quantitative analysis, based on a variety of ESG issues provided by Refinitiv. This is based on a "best in class" methodology that allows to hold companies in sector with high carbon footprint that are nonetheless needed to the communities, provided that those companies stand out for in terms of ESG practices. This methodology is well combined with the already mentioned exclusion policy in order to exclude sectors that the fund deems negative and not absolutely necessary.

- a qualitative analysis made by the Investment Manager to verify the reliability of the data of the provider. When the Investment Manager finds material mistakes or incongruencies, it reperforms the ESG analysis according to its proprietary model, conceptually consistent with Refinitiv, and proposes it to the Management Company for approval.

All issuers must have an ESG rating from Refinitiv above a minimum threshold (single C plus –, i.e., companies in the upper part of the second quartile of the Refinitiv classification, that include firms with satisfactory relative ESG performance) and the average ESG portfolio rating should be above a minimum threshold (65).

The Investment Manager will not invest in ESG unrated securities. In case ESG rating is not available from Refinitiv, ESG rating based on the Investment Manager's own internal rating or other sources can be used only with the prior explicit authorization of the Management Company and only if properly disclosed. Furthermore, in consideration of the fact that the ESG classifications are still in their infancy and very often they are not consistent among the different providers, the Investment Manager can also invest in companies that are below such a minimum rating (single C plus Refinitiv), provided that the company is judged pivotal in the achievements of one or more SDGs and that the low ESG rating can be duly justified.

All investments are subject to good governance policy (sound management structures, employee relations, remuneration of staff and tax compliance) while taking into account the size, the risks and the resources of the company. Additionally, to ensure the respect of good governance, the Sub-Fund will only invest in publicly traded company as a minimum safeguard, as several policies and audits are taken place before a company goes public. Issuer minimum Governance ESG rating should not be below 25 according to Refinitiv or equivalent as per the Investment Manager internal score.

The Sub-Fund may invest up to 10% in other UCITS or UCIs Mutual funds are included solely when all the following conditions are met:

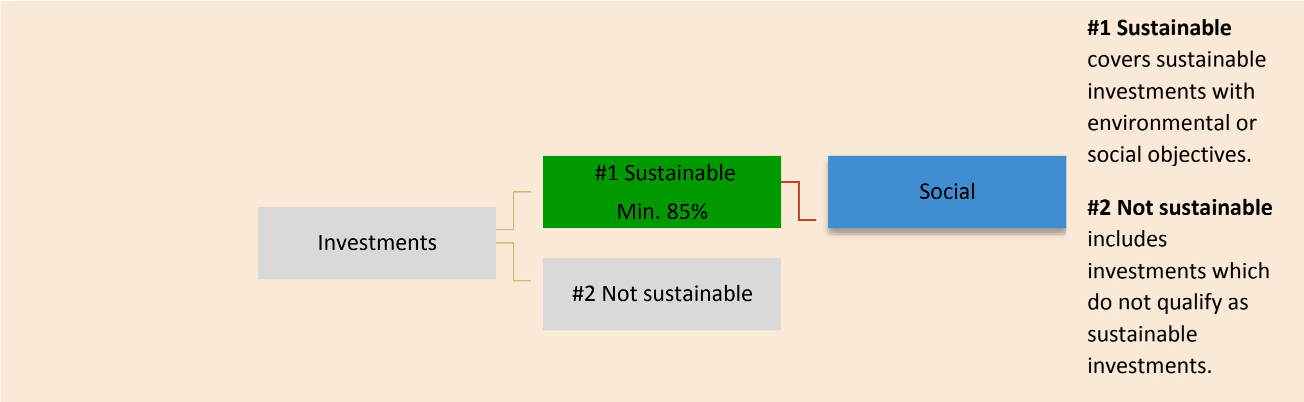
- they are at least classified as article 8 funds according to Regulation (EU) 2019/2088 ("SFDR") and have a 100% commitment to invest in sustainable investments (excluding cash and hedging derivatives);
- they consider principal adverse impacts of its investment decisions on sustainability factors.

The third step consists in measuring the positive contribution the investment has to the UN SDGs, as further described in the below section "*Methodologies*".

## *Proportion of investments*

This Sub-Fund invests at least 85% of its net assets in investments with a direct exposure in investee entities that are sustainable (#1 Sustainable).

Within this category, 100% of the Sub-Fund's assets are sustainable investments with a social objective.




## *Monitoring of the sustainable investment objective*

The contribution to the sustainable investment objective is carried out by the Sub-Fund on a continuous basis as part of the investment process though the SDG analysis methodology applied to investee companies.

The sustainable investments are monitored through a different set of compliance mechanisms. In particular the Management Company, on a quarterly basis, runs a first quantitative screening and a detailed review process on the assets held by the Sub-Fund to determine the percentage of the sustainable investments. More details about the screening perfomed by the Management Company can be found in section "Methodologies"

Once the first quantitative screening is run, the Management Company asks the Investment Manager to provide evidence regarding the investments that have not pass the quantative screening either for lack of data or because have not met some of the quantitative criterias checked. Based on the evidence sent by the Investment Manager and compared to the data stemming from third-party data providers, the Management Company issues an opinion on the sustainability of the concerned investment.

## *Methodologies*

The following indicators are used by the Investment Manager to assess the attainment of the sustainable investment objective:

- The percentage of investee companies with a positive SDG score, based on the Investment Manager proprietary methodology. The SDG analysis is based on a proprietary process to verify whether and to what extent the companies are instrumental to the achievement of the sustainable goals as defined by the UN. The analysis is carried out for each individual company and consists of three different stages:
    - business exposure: the percentage of revenues that are directly related to SDGs;
    - repercussion: the analysis of the positioning of the company in the SDGs related business and by the analysis of its SDGs functionality. The positioning analysis is related to how

much the company is needed in order to for this SDG related business to continue smoothly (the market share in the area of activity is very important). The SDG functionality represents the "intensity" of the SDG exposure, its importance for the SDGs achievements.
  - growth attitude: whether and how much the company is investing in the SDG business, making it grow.
- Then, those three different scores are entered into a matrix to define whether the company can be considered SDG related and at what extent.The percentage of investee companies which the Investment Manager engaged upon their functionality to Sustainable Development Goals and the minimization of their negative impact during the year; and

- The percentage of holdings that are in violation of the OECD Guidelines for Multinational Enterprises, ILO standards, UNGPs, or UNGC.

The Management Company, on a quarterly basis, uses the following indicators to assess the attainment of the sustainable investment objective:

- To prove the contribution to any of the SDG principles the full portfolio is imported into ISS Datadesk to gather the SDG impact score for each of the 17 goals set by the United Nations. In case the Issuer is not covered by ISS Datadesk or if the Investment Manager does not agree with ISS data, the latter should provide a detailed SDG analysis to the Management Company that will perform a second screening. The elements provided will be reviewed by a risk analyst that will give a recommendation to the Management Committee which could approve it or not.

- To assess the good governance of a company, the issuer should be listed on a major stock exchange, as it requires several audits and assessments before it can go public. In addition, the issuer should also have a minimum Governance Pillar score on Refinitiv of 25 or higher. In case no rating is available for the issuer, or the rating is below the minimum score the issuer does not pass the first quantitative screen. However, it could pass the second screen. In order to do so, the Investment Manager should provide evidences that the company has a good governance to the Management Company. The elements provided will be reviewed by a risk analyst that will give a recommendation to the Management Committee which could approve it or not.

- The DNSH principal is based on 5 main pillars:

1. ESG minimum rating should equal or higher than 41.67 from Refinitiv or D+ from ISS to pass the first screen. In the event that the issuer is not covered, or the score is lower than expected the Investment Manager should provide the Management Company with evidences that the company has an equivalent high ESG rating to pass the second screen. The elements provided will be reviewed by a risk analyst that will give a recommendation, which the Management Committee could approve or not.
2. NBR Overall Flag: this flag from ISS assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's link with any breaches of international standards.
   A security with a “Red” flag does not pass the first screen, some evidences are requested to the Investment Manager to have his opinion. The documents sent by the Investment Manager are then reviewed by a risk analyst that will summarize the elements given plus some additional research and will give his recommendation about the sustainability of the security, which the Management Committee may, later on, approve it or not.

3. Controversial Weapons Involvement (APM, CM, Bio, Chem): this flag from ISS provides a T/F indication of whether the issuer has verified involvement in anti-personnel mines, cluster munitions, chemical weapons or biological weapons. If the flag highlights "True" the security have to be sold by the investment manager as this is forbidden.
4. Fossil Fuel - Involvement (PAI): this factor provides a T/F indication of whether the issuer is involved in the fossil fuel sector according to ISS. In such case, the security is then passed through a second quantitative check and at least one of the below conditions should be valid in order to pass the first screen:
    1. Are the Climate total emissions Intensity (GHG) (Total CO2 emissions/ Total revenues) of the investee company better than its peers' industry average? In such case the screen is passed.
    2. Did the company have set GHG reduction targets, which are ambitious enough? In such case the screen is passed.
    3. Did the PAI indicators, notably related the GHG emissions, improved over time. In such case the screen is passed.

    In the case an issuer is not covered or does not pass the above conditions, then evidence and explanations, including evidence on the PAIs improvement, are requested to the Investment Manager. Based on evidence sent by the Investment Manager and data coming from the Management Company service providers and/or public information NEAM risk team will give his opinion about the sustainability of the security to the Management Committee may approve or not

A list of all the investments that do not qualify as sustainable according to the first quantitative screen will be sent to the Investment Manager asking to provide evidence regarding the criteria not met by the security. Based on evidence sent by delegated Investment Manager and data coming from the Management Company service providers and/or public information NEAM risk team will give his opinion about the sustainability of the security. This opinion will need to be confirmed or not during the Management Committee. Evidence of PAIs improvement will be collected for securities not passing the first screen in regard to any of the DNSH criteria.

## *Data sources and processing*

**Investment manager level**

***(a) the data sources used to attain sustainable investment objective of the financial product***

The Investment Manager uses the following data sources:

- the SDG analysis is based on public data processed by the Investment Manager.

- the exclusion process uses multiple information sources, including: Refinitiv, the Freedom in the World report (Freedom House), The Financial Action Task Force (FATF), the EU Sanction List, UK Sanction List, internal analysis, industry report, financial statements analysis.

- the valuation of sustainability risk is based on Refinitiv data and on internal analysis (internal analysis data are derived from firm sustainability reporting, if available, or from other sources like company management, company website, third parties' sources).

- the engagement process is conducted through many channels and duly formalized (emails, calls, videocalls, meetings, standardized or personalized forms on sustainability).

***(b) the measures taken to ensure data quality***

The sustainability team of the Investment Manager reviews the quality of the data obtained by the Refinitiv in the course of its analysis. This is made through outliers data analysis (data that are significantly lower or higher than the average are double-checked), through time consistency analysis (the Investment Manager takes into consideration the period to which the data are referred to be sure that is consistency in the comparison) and through industry aggregation analysis (Refinitiv creates cluster of companies in order to assign a score based on ranking within this cluster; the Investment Manager verifies that the cluster is comparable and homogeneous).

***(c) how data are processed***

In the case of Refinitiv the data processing is automatic, in order to reduce the risks of incorrect transcription. In the case of internal analysis, which is mostly based on the analysis of firm's reporting by the dedicated sustainability team, the data are processed manually, subject to final cross-review by the team members.

***(d) the proportion of data that are estimated***

The Investment Manager has a preference for reported data. The Investment Manager will rely on estimated data on ancillary basis, in extreme cases like those relative to lack of an update from the company or in case it found data that are clearly blunted and no opportunity of direct contact with the company is possible.

**Management Company level**

***(a) the data sources used to attain sustainable investment objective of the financial product***

The Management Company, in his role of monitoring the sustainable investment objective, uses the following data sources:

- the SDG analysis provided by ISS Datadesk. In case the issuer is not covered by ISS Datadesk or if the Investment Manager does not agree with ISS data, the Investment Manager should provide NEAM with a detailed SDG analysis.

- the exclusion process uses: Refinitiv.

- the valuation of sustainability risk is mainly based on Refinitiv data and ISS Datadesk data. Whenever the issuer's sustainability risk cannot be measured by neither Refinitiv nor ISS Datadesk, the Investment Manager is requested to submit his internal ESG score and analysis which is further analysed by NEAM and compare with other ESG ratings providers and others public information.

***(b) the measures taken to ensure data quality***

The quality of the data is ensured by the comparison of different data service providers available at Management Company level (Refinitiv and ISS) as well as through the comparison with delegated Investment Manager's evidence and public information.

(***c) how data are processed***

In the case of Refinitiv and ISS the data processing is automatic. In the case data are processed manually the Management Committee of the Management Company is reviewing the analysis performed by the risk team to ensure a final cross-review.

## *Limitation to methodologies and data*

The Investment Manager and the Management Company relies predominantly on third-party ESG data providers for equity issuers. They have no direct control on the data collected. However, the Investment Manager makes best effort to verify those data, investigating apparent incongruences. In addition, it should be considered that the different data providers use different methodologies to collect their data, which cannot be fully disclosed as to protect the intellectual property rights of the considered data provider.

Regarding third-party managed UCIs both the Investment Manager and the Management Company relies on the pre-contractual annex of the targeted UCIs, meaning that the data is dependent on the ability of the third-party UCIs to be aligned to its pre-contractual annex.

In terms of SDG analysis, the Investment Manager uses a clear and disclosed proprietary SDG analysis. As such this can yield different results compared to other SDG analysis. The Management Company, in its role of monitoring the sustainable investment, uses ISS as data-provider, hence it is ensured a further degree of control.

For what concerns the violation of the OECD Guidelines for Multinational Enterprises, ILO standards, UNGPs, or UNGC, the analysis relies also on third-party providers, and/or controversies analysis and/or investee company's management feedback. For what concerns the third-party providers, the data obtained bear the same limitations disclosed about third-party data providers. The Management Company, in its role of monitoring the sustainable investment, uses partially different data-providers, hence it is ensured a further degree of control.

In order to verify the attainment of the sustainable investment objective the Investment Manager and the Management Company use different data providers, increasing the reliability of data.

The main limitation to the methodologies and data sources is referred to the absence of information from the listed companies with respect to the Principal Adverse Indicators (PAI). Data are often not available or difficult to assemble, especially in the case of emerging markets. This affects the process of PAI analysis and of PAI aggregation and reporting. Then, the ESG data related to PAI can differ from one provider to another due to different methodological approaches.

The Investment Manager expects the level of disclosure to improve significantly within a few years, given the pressure from the investment community to demand more and better information from listed companies. In the meantime, the Investment Manager will engage the companies to improve the communication framework. This creates a positive spin in term of sustainability reporting of companies that are located in areas other than Europe where sustainability reporting is still fragmented. This applies significantly to small and mid-cap areas where Investment Manager aims to stimulate the sustainability communication awareness.

## *Due diligence*

The Investment Manager assess the issuer it considers eligible as per the investment universe by conducting an appropriate due diligence.

The Investment Manager has carried out an adequate investment due diligence process regarding the sustainability risks of its investment strategies.

To define whether or not a company contributes to the Sustainable Development Goals (SDG), the Investment Manager has created a three steps proprietary framework described in the section "Methodology" above and the portfolio is solely invested in companies that hold a positive SDG repercussion.

The ESG due diligence process is based on the approach called by European Banking Authority (EBA) as "*Exposure Method*", which focuses on how individual exposures perform on ESG factors. The indicators used for this assessment are arranged at company level, taking into consideration sector characteristics, with the aim to attain the specific sensitivities to ESG factors of different segments of economic activity. This systematic approach for classifying exposures according to their specific ESG attributes covers all three individual elements 'E', 'S' and 'G', both during stock selection and monitoring of investments.

The internal control takes places through a number of analyses managed by the Investment Manager: ESG integration policies, Exclusion policy, Do Not Significantly Harm analysis, Minimum Safeguard, Controversies analysis, and Engagement activities with investee companies. The external control takes place through: a) outliers data analysis (data that are significantly lower or higher than the average are double-checked); b) time consistency analysis (the Investment Manager takes into consideration the period to which the data are referred to be sure that is consistency in the comparison); and c) industry aggregation analysis (Refinitiv creates cluster of companies in order to assign a score based on ranking within this cluster; the Investment Manager verifies that the cluster is comparable and homogeneous).

## *Engagement policies*

The Investment Manager goal is to improve sustainability practices and communications through consistent and positive engagement. The Investment Manager will engage with the firms in all those cases where critical elements emerge from the ESG, DNSH, Minimum Safeguards and Controversies analysis in a way to understand the reason why the issues occurred and the firm's commitment to address them.

The Investment Manager ensures that votes are exercised in a sustainable manner, taking into account the Regulation (EU) 2019/2088 and the related regulatory framework. The Management Company encourages Investment Manager to take part in the active and responsible role as shareholder in the companies the sub-fund(s) invest in with emphasis on sustainability, activity and responsibility.

## *Attainment of the sustainable investment objective*

No EU Climate Transition Benchmark or EU Paris-aligned Benchmark as defined in Article 3, points (23a) and (23b), of Regulation (EU) 2016/1011 is available.