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INFORMATION FOR INVESTORS IN FUNDS MANAGED BY TMF FUND MANAGEMENT S.A.

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Sustainable Finance Disclosure at TMF Fund Management S.A.

regarding:
Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended ("SFDR")

Regulation (EU) 2020/852 of The European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, as amended ("Taxonomy")

The SFDR lays down harmonized rules for financial market participants (including UCITS Management Companies and AIFMs) and financial advisers in the European Union on transparency with regard to the integration of sustainability risks and the consideration of adverse sustainability impacts in their processes and the provision of sustainability ‐ related information with respect to financial products.

The Taxonomy establishes an EU-wide classification system or 'framework' intended to provide businesses and investors with a common language to identify to what degree economic activities can be considered environmentally sustainable.

These regulations aim to provide greater transparency on the degree of sustainability of financial products and differentiate financial products with SFDR criteria sustainable investments from greenwashing investments.

TMF Fund Management S.A. has implemented a policy in respect of the integration of sustainability risks in its investment decision-making process. It provides a description of activities carried out toward the integration of sustainability criteria as defined in the SFDR and Taxonomy into the investment management of the (Sub-)Funds for which TMF Fund Management S.A. performs the function of Portfolio Manager.

In the same vein, TMF Fund Management S.A. has integrated sustainability risks in its risk management process.

'Sustainability risk' means 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 the investment.

In accordance with article 4 of the SFDR, TMF Fund Management S.A., taking due account of their size, the nature and scale of their activities and the types of financial products they make available, considers the principal adverse impacts of their investment decisions on sustainability factors within the relevant field and/or practices. According to the SDFR, principal adverse impacts ("PAIs") should be understood as those impacts of investment decisions and advice that result in negative effects on sustainability factors. In general, and except for the products mentioned in section 2 below, TMF Fund Management S.A. does not consider principal adverse impacts of the investment decisions on sustainability factors due to the reasons mentioned in section 1 below. Should this change in the future, the disclosures on the website of TMF Fund Management S.A. will be updated accordingly.

When delegating the portfolio management function to a third-party, TMF Fund Management S.A. ensure the performance of the PAIs assessment, monitoring, validation and reporting/disclosure in accordance to the investment strategy and the applicable law and regulations, with particular reference to each managed fund falling under the scope of the article 8 of the SFDR (i.e. promoting environmental and social characteristic) and funds under the scope of article 9 of the SFDR (i.e. promoting sustainable investments).

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1. MAINSTREAM PRODUCTS

With regard to the SFDR and the Taxonomy, the (Sub-)Funds below listed do not consider the adverse impacts of investment decisions on sustainability factors in line with Article 4 (1) b of the SFDR.

In light of the above, the (Sub-)Funds consider sustainability risks and Principal Adverse Impacts as not relevant according to but not limited to the following points:

- The list of prohibited investments will likely have already integrated the key ESG impacts according to the Sub-Fund's ESG risk appetite;
- Most of the investments are made in countries covered by the SFDR or equivalent regulation;
- The key investment sector is recognized not to have major ESG adverse impacts.

As a consequence, the below list of (Sub-)Funds is neither in scope of Article 8 nor of Article 9 of the SFDR.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

For any additional information, please contact legal.fundmanagement@tmf-group.com.

<table>
<tr><th colspan="2">FUND/SUB-FUND</th></tr>
<tr><th colspan="2">SELECTRA INVESTMENTS SICAV</th></tr>
<tr><td>J. Lamarck Biotech</td><td>The Sub-Fund does not consider the adverse impacts of investment decisions on sustainability factors in line with Article 4.1 (b) of SFDR.

In light of the above, the Sub-Fund considers sustainability risks and Principal Adverse Impacts as not relevant according to the following points:

▪ The list of prohibited investments will likely have already integrated the key ESG impacts according to the Sub-Fund's ESG risk appetite;
▪ Most of the investments are made in countries covered by the SFDR or equivalent regulation;
▪ The key investment sector (i.e. the biotechnology industry) is recognized not to have major ESG adverse impacts.

As a consequence, the Sub-Fund is neither in scope of 8 nor of Article 9 of the SFDR.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.</td></tr>
<tr><td>J. Lamarck Pharma</td><td>The Sub-Fund does not consider the adverse impacts of investment decisions on sustainability factors in line with Article 4.1 (b) of the SFDR.

In light of the above, the Sub-Fund considers sustainability risks and Principal Adverse Impacts as not relevant according to the following points:

▪ The list of prohibited investments will likely have already integrated the key ESG impacts according to the Sub-Fund's ESG risk appetite;
▪ Most of the investments are made in countries covered by the SFDR or equivalent regulation; The key investment sector (i.e. the pharmaceutical industry) is recognized not to have major ESG adverse impacts.

As a consequence, the Sub-Fund is neither in scope of 8 nor of Article 9 of the SFDR.</td></tr>
</table>

	The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Moneikos Balanced Fund	The Sub-Fund does not consider the adverse impacts of investment decisions on sustainability factors in line with Article 4.1 (b) of the SFDR. In light of the above, the Sub-Fund considers sustainability risks and Principal Adverse Impacts as not relevant according to the following points: ▪ The list of prohibited investments will likely have already integrated the key ESG impacts according to the Sub-Fund's ESG risk appetite; ▪ Most of the investments are made in countries covered by the SFDR or equivalent regulation. As a consequence, the Fund is neither in scope of 8 nor of Article 9 of the SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Shield Opportunities Fund	The Sub-Fund does not consider the adverse impacts of investment decisions on sustainability factors in line with Article 4.1 (b) of the SFDR. In light of the above, the Sub-Fund considers sustainability risks and Principal Adverse Impacts as not relevant according to the following points: ▪ The list of prohibited investments will likely have already integrated the key ESG impacts according to the Sub-Fund's ESG risk appetite; ▪ Most of the investments are made in countries covered by the SFDR or equivalent regulation. As a consequence, the Fund is neither in scope of Article 8 nor of Article 9 of the SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

GLOBAL AIFM PLATFORM SICAV-SIF	
AlphaStar Equity Hedge Fund	The Sub-Fund does not consider the adverse impacts of investment decisions on sustainability factors in line with Article 4 (1) b of the SFDR. The Sub-Fund considers sustainability risks and principal adverse impacts as not relevant according to the following points: ▪ The list of prohibited investments will likely have already integrated the key environmental, social and governance (ESG) impacts according to the Sub-Fund's ESG risk appetite; ▪ Most of the investments are made in countries covered by the SFDR or equivalent regulation. The Sub-Fund is neither in scope of Article 8 nor of Article 9 of the SFDR. As a consequence, the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Banca Profilo - Profilo East German Real Estate	The Sub-Fund does not consider the adverse impacts of investment decisions on sustainability factors in line with Article 4 (1) b of the SFDR. The Sub-Fund considers sustainability risks and principal adverse impacts as not relevant according to the following points: ▪ The list of prohibited investments will likely have already integrated the key environmental, social and governance (ESG) impacts according to the Sub-Fund's ESG risk appetite; ▪ Most of the investments are made in countries covered by the SFDR or equivalent regulation. The Sub-Fund is neither in scope of Article 8 nor of Article 9 of the SFDR. As a consequence, the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

MADE IN ITALY FUND

1. In relation to the investment activity of the Fund, the General Partner enacts an internal policy for the promotion of a sustainable approach for investments (so called environmental, social and governance) as further described in this section 6.7 (the "**ESG Policy**").
2. The Fund, pursuant to the ESG Policy, is not invested in the sectors listed under previous section 6.1 paragraph 6, which are not considered suitable for investments form an ESG standpoint.
3. According to the ESG Policy, where deemed appropriate the General Partner may perform a specific ESG due diligence on potential target companies, aimed at assessing whether and to which extent said potential target companies can be considered ESG compliant, also highlighting potential improvements that may be made from an ESG perspective by such companies through the investment of the Fund.
4. The General Partner takes into account the results of the ESG due diligence (if any) in the context of the performance of each investment transaction retaining full discretion in the decision to carry out investment transactions within the limits set out in this Issuing Document.
5. According to the ESG Policy the General Partner carries out an annual ESG assessment on each Portfolio Company, eventually with the support of an external advisor with specific expertise in verifying the ESG compliance (the "**ESG Advisor**"), for the purpose of assessing its current level of ESG compliance and the improvements (or any lack thereof) (the "**ESG Annual Report**").
6. The ESG Annual Report is presented – upon their respective request – to the Advisory Board and to the Investors by the General Partner with the support of the ESG Advisor. In case the Advisory Board requests so, a specific Advisory Board meeting shall be called every year for the purpose of presenting the ESG Annual Report within 30 (thirty) days from the delivery date of said report under section 18.1, paragraph 5 below. During the Advisory Board meeting the members of the Advisory Board may address to the General Partner and the ESG Advisor any relevant question on the ESG Annual Report.

INDUSTRY 4.0 FUND

1. In relation to the investment activity of the Fund, the General Partner enacts an internal policy for the promotion of a sustainable approach for investments (so called environmental, social and governance) as further described in this Section 6.7 (the "**ESG Policy**"). The General Partner has categorised this Fund as a financial product that promotes environmental or social characteristics (Article 8 of SFDR) for the purposes of the SFDR. Information referred in the SFDR, including the information related to the environmental or social characteristics of the Fund, shall be disclosed to investors along with this Issuing Document.
2. Sustainability risks, as in compliance with the ESG Policy, can arise from environmental and social impacts on a potential asset, as well as from the corporate governance of the lessee or seller of an asset. Examples include reputational damage and/or punitive measures, physical risks, and transition risks caused, for instance, by climate change. Sustainability risks may have an amplifying effect on the risks described under the previous Section 6.6(2). To the extent that sustainability risks materialize, they may have a significant impact - up to and including a total loss - on the value and/or return of the assets concerned and, accordingly, on the Fund.
3. The investments underlying this Fund do not take into account the European Union criteria for environmentally sustainable economic activities.
4. The Fund, pursuant to the ESG Policy, is not invested in the sectors listed under previous Section 6.1 (7), which are not considered suitable for investments from an ESG standpoint.
5. According to the ESG Policy, where deemed appropriate the General Partner may:
    (a) perform a specific ESG due diligence on potential target companies, aimed at assessing whether and to which extent said potential target companies can be considered ESG compliant, also highlighting potential improvements that may be made from an ESG perspective by such companies through the investment of the Fund. The objective of the consideration of sustainability risks by the General Partner is to avoid corresponding capital investments as early in the acquisition process or to identify as early as possible the occurrence of these risks and to take appropriate measures to minimize the impact on the affected assets or the impact on the overall portfolio of the Fund; and
    (b) use key risk indicators to measure sustainability risks. Key risk indicators may be of a quantitative or qualitative nature that are based on ESG aspects and serve to measure the risk of the aspects under consideration.
6. The General Partner takes into account the results of the ESG due diligence (if any) in the context of the performance of each investment transaction retaining full discretion in the

decision to carry out investment transactions within the limits set out in this Issuing Document.

7. According to the ESG Policy and the ESG information and data collected during the monitoring of Portfolio Companies the General Partner carries out an annual ESG assessment on each Portfolio Company, eventually with the support of an external advisor with specific expertise in verifying the ESG compliance (the "**ESG Advisor**"), for the purpose of assessing its current level of ESG compliance and the improvements (or any lack thereof) (the "**ESG Annual Report**")
8. The ESG Annual Report is made available to the Investors at the registered office of the Fund and it is presented – upon request – to the Advisory Board by the General Partner with the support of the ESG Advisor (if any). In case the Advisory Board requests so, a specific Advisory Board meeting shall be called every year for the purpose of presenting the ESG Annual Report. During the Advisory Board meeting the members of the Advisory Board may address to the General Partner and the ESG Advisor any relevant question on the ESG Annual Report.

ENPAPI LIQUIDITY FUND

The sustainability risks and Principal Adverse Impacts are not relevant according to the following points:

o The list of prohibited investments will likely have already integrated the key ESG impacts according to the Sub-Fund's ESG risk appetite;

o Most of the investments are made in countries covered by the SFDR or equivalent regulation;

As a consequence, the Sub-Fund is neither in scope of Article 8 nor of Article 9 of the SFDR.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

MAGNETICA S.A. SICAV-RAIF	
China Century Fund (in liquidation)	The Sub-Fund considers sustainability risks and Principal Adverse Impacts as not relevant according to the following points: o The list of prohibited investments will likely have already integrated the key ESG impacts according to the Sub-Fund's ESG risk appetite; o The limited available ESG data on target funds limits the utility of the integration of these indicators in the investment process. As a consequence, the Sub-Fund is neither in scope of Article 8 nor of Article 9 of the SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
WAVE FUND II EU MASTER FEEDER FUND	The Sub-Fund does not consider the adverse impacts of investment decisions on sustainability factors in line with Article 4 (1) b of the SFDR. In light of the above, the Sub-Fund considers sustainability risks and Principal Adverse Impacts as not relevant according to the following points: o The list of prohibited investments will likely have already integrated the key ESG impacts according to the Sub-Fund's ESG risk appetite; o The limited available ESG data on target funds limits the utility of the integration of these indicators in the investment process.; o As a consequence, the Sub-Fund is neither in scope of Article 8 nor of Article 9 of the SFDR

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IMMOBEL REAL ESTATE FUND SCSP, SICAV-RAIF

This disclosure being applicable for each compartment of the Fund :
Pursuant to EU Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the “SFDR”), the Partnership is required to disclose the manner in which Sustainability Risks (i.e. environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investments made by the Partnership (each a “Sustainability Risk”)) are integrated into the investment decision and the results of the assessment of the likely impacts of Sustainability Risks on the returns of the Partnership.

The Partnership does not actively promote Sustainability Factors (i.e. environmental, social and employee matters, respect for human rights, anti ‑ corruption and anti ‑ bribery matters ("Sustainability Factors")) and does not maximize portfolio alignment with Sustainability Factors, however it remains exposed to Sustainability Risks. Such Sustainability Risks are integrated into the investment decision making and risk monitoring to the extent that they represent a potential or actual material risks and/or opportunities to maximizing the long-term risk-adjusted returns.

The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk, region and asset class. In general, where a Sustainability Risk occurs in respect of an asset, there will be a negative impact on, or entire loss of, its value.
Such assessment of the likely impact must therefore be conducted at portfolio level. Accordingly, further detail and specific information is given for each relevant Sub-Fund, if appropriate.

The AIFM does not consider the adverse impacts of its investment decisions on Sustainability Factors because there is no sufficient and satisfactory data available to allow the AIFM to adequately assess the potential adverse impact of its investment decisions on Sustainability Factors. The AIFM might consider it as the situation evolves.
Notwithstanding the above, the Partnership does not follow a dedicated ESG investment strategy and sustainability is neither the objective, nor a mandatory part of the investment process of the Partnership and the Sub-Fund. In particular, the underlying investments of the Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities which are determined by the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, as amended from time to time.

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PALLADIUM FUND MANAGEMENT S.C.A. SICAV-SIF	
Palladium Fund I	Palladium USA incorporates ESG strategies, employs energy efficiency measures, and green building resilience standards throughout the lifecycle of the projects. The Sub-Fund does not however promote social or environmental characteristics and does not have sustainable investment as its objective within the meaning of article 8 and article 9 of SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

BRAZIL REAL ESTATE OPPORTUNITIES FUND III, S.C.S.

The Sub-Fund considers sustainability risks and Principal Adverse Impacts as not relevant according to the following points:

o The list of prohibited investments will likely have already integrated the key ESG impacts according to the Sub-Fund's ESG risk appetite;
o The key investment sector (Real Estate Development) is regulated by local standards which mitigate major ESG adverse impacts.

As a consequence, the Sub-Fund is neither in scope of Article 8 nor of Article 9 of the SFDR.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

LAGUNA INVESTMENT RAIF	
LAGUNA GLOBAL FUND	The Compartment does not follow a dedicated environmental, social and governance ("ESG") investment strategy and sustainability is neither the objective, nor a mandatory part of the investment process of the Compartment. In particular, the underlying investments of the Compartment do not take into account the EU criteria for environmentally sustainable economic activities. The AIFM does not consider directly at its level the principal adverse impacts of its investment decisions on sustainability factors according to article 6 of SFDR. The Compartment does not consider adverse impacts of investment decisions on sustainability factors within the meaning of article 4 SFDR, given that the Compartment does not follow a dedicated ESG investment strategy and sustainability factors are not a part of the Compartment's investment process.
LAGUNA ALTERNATIVE FUND	The Compartment does not follow a dedicated environmental, social and governance ("ESG") investment strategy and sustainability is neither the objective, nor a mandatory part of the investment process of the Compartment. In particular, the underlying investments of the Compartment do not take into account the EU criteria for environmentally sustainable economic activities. The AIFM does not consider directly at its level the principal adverse impacts of its investment decisions on sustainability factors according to article 6 of SFDR. The Compartment does not consider adverse impacts of investment decisions on sustainability factors within the meaning of article 4 SFDR, given that the Compartment does not follow a dedicated ESG investment strategy and sustainability factors are not a part of the Compartment's investment process.

RINASCIMENTO FUND S.C.A. SICAV-RAIF	
ETHICAL FUND	Pursuant to the SFDR, the Fund is required to disclose the manner in which sustainability risks are integrated into the investment decision and the results of the assessment of the likely impacts of sustainability risks on the returns of the Fund. The Fund recognises the importance of sustainability factors, but the specific framework for how sustainability factors are managed within a portfolio will be specified in each Sub-fund's Appendix. If not disclosed otherwise in the relevant Appendix, the Fund does not actively promote sustainability factors and does not maximize portfolio alignment with sustainability factors. The Fund is also exposed to sustainability risks. Such sustainability risks are integrated into the investment decision making and risk monitoring to the extent that they represent a potential or actual material risks and/or opportunities to maximizing the long-term risk-adjusted returns. The impacts following the occurrence of a sustainability risk may be numerous and vary depending on the specific risk, region and asset class. In general, where a sustainability risk occurs in respect of an asset, there will be a negative impact on, or entire loss of, its value. Unless specified otherwise in an Appendix, each Sub-fund has a highly diversified portfolio. Therefore, the AIFM believes that the Sub-funds will be exposed to a broad range of sustainability risks, which will differ from investment to investment. Some markets and sectors will have greater exposure to sustainability risks than others. For instance, some sectors or individual companies may be subject to greater regulatory or public pressure than other sectors and, thus, greater risk. However, it is not anticipated that any single sustainability risk will drive a material negative financial impact on the value of the Sub-funds. Notwithstanding the above, the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities which are determined by the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, as amended from time to time.

VORIANA SPECIAL SITUATIONS FUND III SCSP

The European Commission adopted its Action plan on Financing Sustainable Growth in May 2018, targeting all financial market participants, and cutting across every aspect of financial services and beyond. It aims to introduce measures to clarify asset managers' duties in integrating environmental, social and governance ("ESG") factors and risks into investment, as well as to clarify and standardise transparency duties and ESG reporting requirements. There are currently a series of initiatives at an EU level that are at varying stages of progress to implement of the EU's Action plan on Financing Sustainable Growth. Regulation (EU) 2019/2088 on Sustainability-related disclosures in the financial services sector (the "Disclosure Regulation") was published on 9 December 2019 and entered into force on 29 December 2019, and has been further amended by Regulation (EU) 2020/852 on the Establishment of a Framework to Facilitate Sustainable Investment (the "Taxonomy Regulation"). The Disclosure Regulation will have a staggered application. Although the Disclosure Regulation has direct effect on the AIFM and the Fund and the majority of its provisions have applied since March 10, 2021, the practical implementation of the Disclosure Regulation is contingent on the Regulatory Technical Standards ("RTS") put in place by the Joint Committee of the ESAs (which includes the European Securities and Markets Authority). These RTS have now been finalized but their application has been delayed until July 1, 2022. The European Commission's Action plan on Financing Sustainable Growth also includes a number of delegated regulations amending MiFID II Delegation Regulation 2017/565 ("Level 2 MiFID II") and Commission Delegated Regulation (EU) 231/2013 ("Level 2 AIFMD") to integrate ESG considerations into investment advice and portfolio management and to incorporate sustainability risks. Compliance with the Disclosure Regulation, the RTS, the Taxonomy Regulation and other ESG related rules is expected to result in increased legal, compliance, reporting and other associated costs and expenses which will be borne by the Fund.

VORIANA FEEDER SCSP

The manner and extent to which the AIFM integrates "sustainability risks" within the meaning of the EU Sustainable Finance Disclosure Regulation ("SFDR") into the Fund's investment decision making policy is set out below.

In the AIFM's view, sustainability risks may adversely affect the value of investments held by the Fund and/or the ability of the Fund to dispose of investments at attractive valuations, but it is not possible to meaningfully forecast the likely impact of sustainability risks on the returns of the Fund at this time.

As part of the Fund's investment processes the AIFM may consider sustainability and seek to manage sustainability risks to avoid any material impact on the returns of the Fund, but given the lack of certainty as to future sustainability developments it is impossible to say with any certainty that this will be successful.

The AIFM will not be considering principal adverse impacts on sustainability factors at this time. Although the AIFM may consider sustainability as part of its investment processes, the uncertainties surrounding the content and implementation date of the regulatory technical standards relating to the SFDR make it impossible to determine what would be an appropriate level of assessment to carry out at this time, and the AIFM believes that the most appropriate course of action is to wait for the regulatory technical standards before undertaking this exercise in order to ensure that the assessment undertaken is appropriate.

The investments underlying this Fund do not take into account the EU criteria for environmentally sustainable economic activities.

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PRADERA REAL ESTATE INVESTMENT SICAF S.P.A.

The sustainability risks and Principal Adverse Impacts are not relevant according to the following points:

o The list of prohibited investments will likely have already integrated the key ESG impacts according to the Sub-Fund's ESG risk appetite;
o The limited available ESG data on target funds limits the utility of the integration of these indicators in the investment process.

As a consequence, the Sub-Fund is neither in scope of Article 8 nor of Article 9 of the SFDR.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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2. PRODUCTS PROMOTING ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

With regard to the Regulation (EU) 2019/2088 and Regulation (EU) 2020/852, the below list Sub-Fund's falls within the scope of Article 8 of SFDR, i.e. qualifies as a products that promote environmental or social characteristics.

EOS ENERGY FUND II S.C.A. SICAV-RAIF

DISCLOSURE UNDER ARTICLE 3 SFDR

In accordance with article 3 of the Regulation (EU) 2019/2088 on sustainability - related disclosures in the financial services sector (hereinafter, "Sustainable Finance Disclosure Regulation" or "SFDR"), EOS Investment Management Ltd ("EOS IM") and TMF Fund Management S.A. (the "AIFM") foresee the inclusion of sustainability risks into their investment decisions within the greenfield renewable energy practices. For the purpose of this statement, a sustainability risk means 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 the investment.

The AIFM and the EOS IM seek the integration of sustainability risks into the investment decisions with the aim of ensuring that these risks are considered similarly to all other risks that are integrated in the investment decisions.

The investment strategy in greenfield renewable energy practices is based on establishing long-term partnerships with successful and experienced developers, investing and creating value by being significantly involved from the development stage when possible, first-hand overview in the construction stage, and active involvement in the financing and operational stages of a greenfield project. In consideration of that, the investments are exposed to a variety of ESG risks associated with such energy infrastructures. The main ESG risks include but are not limited to the following:

- **Environmental dimension**

  - **climate risks**: physical risks arising from climate change could cause damage to assets and infrastructure resulting in their enduring unavailability. The transition towards a zero-emissions energy model could involve risks arising from normative/regulatory, political, legal, technological and market changes associated with the fight against climate change;
  - **environmental risks**: more restrictive regulations concerning environmental protection may require investee companies to implement specific actions to minimise their environmental impact. In particular, the rising concern about the scarcity of resources and management of land (applicable both to solar and wind projects) may result in a longer investment cycle or increased costs to comply with regulations. The land use or changes in the land use can also have impacts in terms of limitations and/or prescription with regards to biodiversity and

preservation of ecosystems. To a lesser extent the same risks and adverse impacts can be envisaged with regard to the use of water which is more relevant to certain energy technologies such as offshore wind farms rather than solar photovoltaics which is the main focus the focus of the greenfield renewable energy. There is also an exposure to risks and costs connected to hazardous waste management and disposal of key equipment. This is with particular reference to equipment such as photovoltaic panels, wind turbines and pales, which call for specific requirements in terms of decommissioning. The processes associated with the equipment can use (potentially) toxic substances and generation of toxic wastes (both at the manufacturing stage as well as at other stages of the product/equipment lifecycle).

- <u>**Social dimension**</u>

  - **risks linked to occupational health and safety**: these risks arise from the execution of construction activities on the plant sites. The operations are relatively limited and mainly carried-out by external engineering and construction suppliers;
  - **risks linked to local communities' engagement**: the development of infrastructural projects could result in criticism or situations of partial acceptance, exposing the investee companies to reputational and operational risks linked, for example, to delays in execution of projects;
  - **compliance risks**: possible infringements of laws, regulations and the principles set down in internal policies could result in exposure to the risk of judicial or administrative penalties, economic or financial losses and reputational damage.

There are additional risks inherent to infrastructure investments, including construction, environmental, regulatory, permitting, commissioning, start-up, operating, economic, commercial, political, and financial risks, which have or can have ESG risk features. Other factors that may affect the operations of projects and their positive ESG characteristics include innovations in technology that could render the way in which the investee companies substantially contribute to environmental and social objectives obsolete or less than expected performing.

ESG risks and opportunities are strictly intrinsic in the investment focus of greenfield renewable energy practices. The environmental and social considerations are core aspects of the investment thesis and financial value proposition. ESG risks considerations are integral part of the investment process and are standardised for each investment in terms of regulatory framework, internal policies, managerial practices, business relationship with advisors and suppliers who are well familiar with major ESG issues linked to renewable energy power plants. All the projects are designed and managed to mitigate or eliminate, after a proper identification, any relevant environmental and social risks. When possible, these are substantially allocated to external/ contractual parties, according to best practices of the structured finance industry, with the pre-requisite of keep valid the authorization, along with operating the power plants in full compliance with environmental, safety and health requirements set by the relevant competent authorities.

Hence, the integration of ESG risks occurs at different stages of the investment process: assessment, decision making and actions to progress. The investment team oversees selecting, identifying, and picking new investment opportunities. The screening process includes an initial screening assessment that takes into consideration ESG viability. After this analysis, a preliminary proposal is made to the investment committee of EOS IM; the standard information expected to be presented is also related to risks and mitigants analysis. If the proposal is accepted, projects, which may involve developments, will be required to be assessed and subject to the due diligence process, which includes ESG criteria. The ESG assessment will encompass material potential ESG issues, concerns, and impact areas, which were found to be problematic following the assessment, the subsequent review and the analysis process. ESG due diligence findings may take into consideration elements such as: (i) savings in terms of CO_2 produced, (ii) contribution to creation of employment opportunities, with particular reference to local communities, (iii) strong preference to utilise, for the installation of power plants, low grade agricultural land, preferably not used for agricultural purposes, (iv) selection of key suppliers (project developer, PV and inverter suppliers and EPC contractors) after duly consider their ESG ethos and track record. The assessment will include an outline of identified key remedial actions, designed to address the issues highlighted in the due diligence report.

As seen above, all the relevant ESG risks are generally site-specific rather than portfolio-wide, usually reversible, and promptly addressed and mitigated.

The risk management team of the AIFM also performs a regular (*ex-post*) review of these risks as part of the fulfilment of its duties.

DISCLOSURE UNDER ARTICLE 4 SFDR

In accordance with article 4 of the Regulation (EU) 2019/2088 on sustainability - related disclosures in the financial services sector (hereinafter, "Sustainable Finance Disclosure Regulation" or "SFDR"), EOS Investment Management Ltd ("EOS IM") and TMF Fund Management S.A. (the "AIFM"), taking due account of their size, the nature and scale of their activities and the types of financial products they make available, consider the principal adverse impacts of their investment decisions on sustainability factors within the greenfield renewable energy practices. Principal adverse impacts (PAIs) should be understood as those impacts of investment decisions and advice that result in negative effects on sustainability factors.

The mentioned adverse impacts are identified with a bottom-up approach to material topics, these latter being firstly, but not exclusively, related to (i) metric tons of greenhouse gas emissions avoided, (ii) homes' electricity use for a year powered by renewable energy, (iii) land use, alongside with social aspects such as (iv) level of employment during and post construction and (v) awarding contracts locally where feasible to promote the development of local economies where the infrastructure projects are located.

In particular, the most relevant ESG topics identified and scrutinized are baseline environmental and social conditions of the planned construction, endangered species and sensitive ecosystems, pollution prevention, cumulative impacts of existing projects, socio-economic impacts, protection of cultural property, health, safety, and security.

For the sake of clarity, the renewable energy practices are pursued through the Fund, which is a closed-end investment fund launched in December, currently in fund raising status and the projects planned are still in the pre-construction stage. Therefore, the impacts that are now considered are limited to that investment phase. Notwithstanding this premise, the principal adverse impacts considered, which will be considered in all the other investment phases, and of the related indicators to monitor them, follow and will follow the applicable regulatory technical standards, such as those listed below.

PRINCIPAL ADVERSE IMPACTS (PAIs)	INDICATORS
GHG Emissions	GHG Emissions
	Carbon footprint
	GHG intensity of investee companies
	Exposure to companies active in the fossil fuel sector
	Share of non-renewable energy consumption and production
	Energy consumption intensity per high impact climate sector
Biodiversity	Activities negatively affecting biodiversity-sensitive areas
Water	Emissions to water
Waste	Hazardous waste ratio
Social and employee matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises

	Unadjusted gender pay gap
	Board gender diversity
	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

After having defined the principal adverse impacts and the specific indicators, EOS IM and the AIFM assess them, whenever possible, before entering into the transaction and properly analyses them during the pre-due-diligence or "red-flag" analysis and in the context of the overall due diligence processes, which include the ESG Due Diligence. The ESG Due Diligence standards will include, whenever applicable: (i) environmental impact assessment, (ii) planning permission, (iii) environmental and social management system requirements, (iv) stakeholder engagement, (v) grievance mechanism, (vi) independent monitoring and reporting programme, (vii) reporting & transparency. Findings of the ESG Due Diligence are relevant key investment decision points and the recommendation from Risk Management and the Investment Committees in terms of possible remediations/actions are mandatory and cannot be waived. Apart from overarching due diligence requirements, all projects also require technical due diligence assessments by independent external experts, to confirm the inclusion of the requirements set out to construct the project, including the competency of the key contractors to deliver the construction, meeting the required specifications, and additional requirement arising from environmental impact assessment.

EOS IM and the AIFM require the planning of specific actions to mitigate the potential adverse impacts, including ESG engagement activities, which envisage the active involvement of project companies, promote their sustainable growth, and gather continuous feedback for the evolutions of the strategy itself. Some operational requirements have been drawn up with the aim of managing key topics during the phases of investment (meaning construction, operation, divestment and decommissioning phases) with reference to energy consumption, water consumption, greenhouse gas emissions, waste management, other emissions and products when applicable or relevant.

It has to be clarified that if for whatsoever reason EOS IM, in evaluating any potential investment opportunity, identifies material risks endangering the ability of the assets to positively contribute to climate change mitigation in comparison to power generation from fossil, the firm will most likely quit the investment opportunities, rather than scaling down the investment. Moreover, where potential adverse impacts are identified, these will be considered and assessed in terms of impact/rectification initially at investment team level and by the Investment Committees for more material issues. As part of the investment requirements, proportionate and appropriate remedial actions will be required to be implemented. Depending upon the nature and timing of the adverse impact raised, the matter will require resolution as a condition precedent (before completion), a contractual condition subsequent (after completion) or as part of a longer-term plan.

As previously mentioned, EOS IM and the AIFM conduct ESG engagement activities which envisage the involvement of project companies. Engagement is conducted through a combination of formal and informal direct meetings and communication exchanges, fostering personal interactions, and encouraging the information flow. Moreover, EOS IM has actively engaged through the Fund's significant ownership and it has appointed board directors of the project companies.

When considering the principal adverse impacts, EOS IM and the AIFM consider the sound practice of international standards in terms of responsible business conduct codes and internationally recognized standards for due diligence and reporting; indeed, EOS IM is a signatory of the United Nations Principles for Responsible Investment (UN PRI).

DISCLOSURE UNDER ART. 10 SFDR

Regulation (EU) 2019/2088 (or "SFDR") establishes harmonised rules for sustainability-related disclosures by financial market participants and financial advisers.

Financial market participants shall publish and maintain on their websites information for each financial product referred to in article 8 of SFDR and should use website disclosures to expand on topics disclosed in a concise way in pre-contractual documents and to provide further information relevant to end investors to better understand the investment strategies offered.

Environmental or social characteristics of the financial product

For the purpose of SFDR and EU Taxonomy disclosures, in light of the investment objective, strategy and guidelines applicable to EOS Energy Fund II S.C.A. SICAV-RAIF (the "Fund") and as part of the implementation of such objective and strategy, the Fund seeks to promote, among other characteristics, environmental characteristics in the context of article 8 of SFDR, by investing in a diversified portfolio of projects which generate or enable the generation of electricity from renewable energy sources with a particular focus (but not exclusively) on greenfield unsubsidised solar photovoltaic parks. Therefore, the Fund will seek to predominantly invest in economic activities which are intended to contribute substantially to climate change mitigation, being investments in projects generating, transmitting, storing, distributing or using renewable energy in line with Directive (EU) 2018/2001, as defined in the applicable provisions of EU Taxonomy. As far as the "'The "do no significant harm" principle as per EU Taxonomy is concerned, this applies only to those investments that are intended to take into account the EU criteria for environmentally sustainable economic activities.

Investment strategy

The investment strategy of the Fund is based on establishing long-term partnerships with successful and experienced developers, investing, and creating value by being significantly involved since the development and lead first-hand the construction, financing and operational stage of a greenfield project. Once the infrastructure projects have been running for several years and fully optimised, the Fund will exit the projects by selling them on to industrial or financial players in the secondary infrastructure market.

Within the promotion of environmental characteristics scope, the Fund uses non-financial criteria during the pre-investment phase, meaning the commitment to ESG integration and the consideration of exclusion criteria. In particular, the Fund adopt, among others, the following strategies:

- *positive screening*: relates to the inclusion of economic activities that are contributing to the environmental characteristics promoted by the Fund, also following the criteria mentioned below (1-5). The same reasoning is applicable on the supply chain side, where positive screening helps selecting reputable major suppliers that adopt an ESG approach;
- *negative screening*: relates to the exclusion of business that fall short of a set of absolute environmental, social, or economic standards.

TMF Fund Management S.A. (the “AIFM”) and EOS Investment Management Ltd (“EOS IM”) integrate ESG Policy as part of their investment decision process, taking into account the following non-financial criteria:

1. **Sustainable Development**: contribution to the protection of natural resources by developing renewable and alternative energy infrastructures;
2. **Environmental Footprint**: contribution towards decarbonization and development of innovative energy efficient services;
3. **Local Engagement**: contribution to local development of non-polluting solutions protective of the population health while assuring the proper conservation of flora and fauna;
4. **Social Governance**: assuring that at the level of investee, economic activities are carried out to substantially align with the applicable and relevant minimum safeguards laid down in the EU Taxonomy, setting forth human rights, labour, environmental and anti-corruption principles and standards are met;
5. **Third Party Interactions**: selection of supply chain including sustainability criteria in terms of environment and social standards;
6. **Controversial activity**: exclusion of sectors that are proven to have a detrimental impact on society and environment, such as coal, tobacco, pornography, gambling, tobacco, alcoholic beverage, production financing and trade of weapons.

The above criteria will be assessed in the pre-due diligence and due diligence phases according to sound practices, internationally commonly recognized standards and the applicable technical standards, from time to time set by the applicable regulations including but not limited to regulatory technical standards envisaged in EU Taxonomy and reflected in the Fund’s policies.

EOS IM and the AIFM also assess good governance practices of investee companies, including, if applicable, compliance with legal requirements (e.g., adoption of Organizational and Management Model pursuant to Italian Legislative Decree no. 231/2001), sound management structures, employee relations, remuneration of staff and tax compliance, as seen in point 4 above.

Within the scope of SFDR and EU Taxonomy regulation, and unless differently stated in the applicable law and regulation, from the financial year ending on the 31 December 2022, the Fund will issue to Investors periodic disclosure, on annual basis, including sustainability indicators measure which how the environmental and/or social characteristics promoted by the Fund are attained.

Type of investments

The Fund is formally and substantially focused on renewable energies with a focus on greenfield solar photovoltaics (PV) energy generation plants. The Fund will also take into consideration other opportunities, with particular reference to wind, energy storage and (but this would not change the focus) energy generation from renewable sources to allow production of “green” energy.
For the sake of clarity, the Fund may also invest a limited amount of commitment in the development stage (i.e., before the construction permit for a PV plant is issued) of greenfield projects.

Monitoring of environmental or social characteristics

The Fund ensures the attainment to the promotion of the above-mentioned environmental characteristics through monitoring efforts. During the post-investment phase, the investee companies in the portfolio are assessed to ensure the implementation of recommendations arising during the investment acquisition process. In addition, concerning the stakeholder’s engagement in relation to the Fund and its investments (portfolio companies), EOS IM also actively engages through the Fund significant ownership and its appointment of board directors of the portfolio companies.

Methodologies & Data sources

EOS IM and the AIFM are elaborating an internal monitoring process using ESG data as metrics to assess during the overall investment process, starting from the construction of the plants. The source of this data comes from both (i) the suppliers involved during the construction phase of investments, that are contractually bound to give all the information as agreed, and (ii) the plants themselves, that are owned by the SPV, over which the fund manager retains control.
The standardized process in place allows to assess each metrics with respect to an established threshold deemed acceptable. A remediation plan will be put in place, whenever required in relation to the status when assessed against the aforementioned thresholds. This is designed overcome potential issues and in order to guarantee the respect of the environmental characteristics promoted by the Fund.

Due diligence

ESG topics and issues are included in the transaction documents as resulting from ESG due diligence findings which take into consideration elements such as: (i) savings in terms of CO_2 produced, (ii) contribution to creation of employment opportunities in local communities, (iii) strong preference to utilise, for the installation of power plants, low grade agricultural land, preferably not used for agricultural purposes, no hampering ecosystems and in underdeveloped social areas, (iv) selection of key suppliers (seller of the project developer, landlord, PV and inverter suppliers and EP contractors) after duly consider their ESG ethos and track records. All those contractual agreements are structured in order to grant, during both the construction and operational phases, the full compliance with legal and voluntary environmental and social (including safety) undertakings. All the material ESG issues are kept under due control along the power plants life cycle with e ongoing controls and prevention measures.

Engagement policies

Fund's preferred investment strategy is to acquire SPVs owning the rights to the projects, over which the Fund manager retains control. Objective is to oversee and have full control on their operations and effectively implement the performance optimisation strategy and ESG issues and risks management while timing the best exit opportunity. The combination of the assets being PV Plants and the owning structures being SPVs, without the requirement for extensive personnel resource, the ESG factors are encompassed and managed directly by EOS IM and the AIFM.

As stated before, for the type of investment and business model, EOS IM is directly exposed to ESG considerations. Thus, EOS IM actively manages rather than simply influence of ESG topics. In relation to the Fund, investees SPVs always establish boards of directors who receive training designed to ensure the appropriate awareness and understanding of relevant ESG topic.

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: EOS Energy Fund II S.C.A. SICAV-RAIF **Legal entity identifier:** EOS Investment Management Ltd

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The reserved alternative investment fund called **EOS Energy Fund II S.C.A. SICAV-RAIF** (the "**Fund**") promotes, among other characteristics, an environmental characteristic, which consists in the increase of the production of renewable energy and the transition to a green economy.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Through its sustainable investment strategy, described in depth in the below mentioned section *"What investment strategy does this financial product follow?"* of the present document and implemented according to the provisions of the ESG Policy – Group Level and the ESG Policy – Clean Energy Strategy, the Fund invests in a diversified portfolio of projects where good governance practices are followed, and which generate or enable the generation of electricity from renewable energy sources with a particular focus (but not exclusively) on greenfield unsubsidised solar photovoltaic parks.

It should also be noted that no specific index has been designated as a reference benchmark to determine whether the Fund is aligned with the environmental characteristic it promotes.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The attainment of the environmental characteristic promoted by this financial product is measured through specific indicators, derived from the main international standards available on the subject published by recognised market bodies and institutions (e.g., adverse sustainability indicators foreseen by the Delegated Regulation 2022/1288).

These indicators are defined ex-ante coherently with the sustainable investment strategy envisaged by the Fund based on the environmental characteristic promoted. Sustainability indicators used to measure the attainment of the environmental characteristic are, among others:

- Renewable Energy produced (kWh), utilising the annual equivalent expected households consumption served (thousands), as a demonstratable comparative;
- Renewable energy produced, expressed as a percentage of total energy produced by the Fund's assets;
- CO2 equivalent avoided (tons) compared to a non-renewable energy production scenario;
- Percentage of capital invested into renewable energy assets.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti‐corruption and anti‐bribery matters.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes, the Fund considers the principal adverse impacts on sustainability factors. In particular, the Fund addresses and seeks to minimize the adverse impacts associated with all the investment phases (i.e. (i) development / pre-construction (including sourcing and authorisation); (ii) construction (including design); (iii) operation; (iv) divestment / decommissioning).

The Fund monitors the adverse sustainability indicators related to (i) GHG emissions, (ii) biodiversity, (iii) water, (iv) waste and (v) social and employee matters. Additional adverse impacts on sustainability factors may be considered, subject to the assessment of their materiality and data availability with respect to the investments to be made, in accordance with the provisions of the Delegated Regulation (EU) 2022/1288.

It should also be noted that appropriate disclosure regarding the main adverse impacts on sustainability factors will be provided within the information referred to in Article 11(2) of EU Reg. 2019/2088.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

No

What investment strategy does this financial product follow?

The investment strategy of the Fund is fully described within the abovementioned section "*4.1 Investment Objective and Strategy"* of the present document and is aligned with the provisions of the ESG Policy. For the purpose of the attainment of the environmental characteristic promoted by the Fund, it has to be noted that this financial product invests in a diversified portfolio of projects which generate or enable the generation of electricity from renewable energy sources with a particular focus (but not exclusively) on greenfield unsubsidised solar photovoltaic parks.

The implementation of the investment strategy ensures that ESG criteria are applied throughout the sequential phases of (i) development / pre-construction (including sourcing and authorisation); (ii) construction (including design); (iii) operation; (iv) divestment / decommissioning.

The investment strategy foresees, among others, the following steps:

- **Negative screening:** exclusion from the investment universe of controversial sectors where it is assessed that in general the activities will not be in compliance with the ESG ethos and principles established for the Fund. The exclusion list includes:
  <u>Sector Based Exclusions:</u>
  - Modern Slavery and/or Human Trafficking, including forced labour or child labour;
  - Exclusions based on screening against minimum standards of business practice based on international norms (UN Human Rights Declaration, Security Council Sanctions, UN Global Compact);
  - Legally required exclusions (required by domestic/international law, bans, treaties, embargoes);

- Any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as:
  - Ozone depleting substances, PCB's ("Polychlorinated Biphenyls") and other specific, hazardous pharmaceuticals, pesticides/herbicides and/or other chemicals which are not managed in an environmentally responsible manner;
  - Wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora ("CITES"); or
  - Unsustainable fishing methods;
- Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations;
- Destruction of high conservation value areas;

  Destruction means the elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or modification of a habitat in such a way that the area's ability to maintain its role is lost. High Conservation Value ("HCV") areas are defined as natural habitats where these values are considered to be of outstanding significance or critical importance.
- Radioactive materials and unbounded asbestos fibres;

  This does not apply to equipment such as medical, quality control (measurement) or any other equipment where the radioactive source is understood to be trivial and/or adequately shielded.
- Pornography or prostitution;
- Racist and anti-democratic media;
- Coal;
- Tobacco;
- Gambling;
- Production, financing, and trade of weapons.

<u>Geographical Based Exclusions</u>

In addition to the Legally required exclusions (required by domestic/international law, bans, treaties, embargoes), the exclusions specifically prohibit the interaction of Fund(s) with parties and conduct of activities in UN, EU, and UK sanctioned jurisdictions.

<u>Individual Based Exclusions</u>

In addition to the Legally required exclusions (required by domestic/international law, bans, treaties, embargoes), the exclusions specifically prohibit the interaction of Fund(s) with individuals listed on the UN, EU and UK sanctions lists.

All potential investments are screened against the exclusion list and are not contrary to ESG Policy.

- **Positive screening**: assessment, during the pre-due diligence and the due diligence phases, of (i) good governance practices, (ii) management of specific topics deemed as material after a materiality analysis conducted by the Fund, and (iii) specific criteria described in the following:
  1. Sustainable Development: contribution to the protection of natural resources by developing renewable and alternative energy infrastructures;
  2. Environmental Footprint: contribution towards decarbonisation and development of innovative energy efficient services;
  3. Local Engagement: contribution to local development of non-polluting solutions protective of the population health while assuring the proper conservation of flora and fauna;
  4. Social Governance: assuring that at the level of investee, economic activities are carried out to substantially align with the applicable and relevant minimum safeguards laid down in the EU Taxonomy, setting forth human rights, labour, environmental and anti-corruption principles and standards are met;
  5. Third Party Interactions: selection of supply chain including sustainability criteria in terms of environment and social standards;
  6. Controversial activity: exclusion of sectors that are proven to have a detrimental impact on society and environment, such as coal, pornography, gambling, tobacco, alcoholic beverage, production financing and trade of weapons.
- **Monitoring**: monitoring of (i) ESG KPIs designed to ensure the implementation of recommendations arising during the investment acquisition process, whether a company specific ESG action plan (e.g., "100-days plan") has been defined; (ii) adverse sustainability indicators, identified as described in the paragraph *"Does this financial product consider principal adverse impacts on sustainability factors?"* of the present document.
  The Fund also foresees the integration into the investment process of sustainability risks, considered as an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment, and whose main characteristics are described within the section *"7. ESG Risks"* of this document.

It has to be noted that all the relevant ESG risks are generally site-specific in terms of specific impact, degree of potential risk and application, rather than portfolio-wide. Such risks are thus usually reversible and promptly addressed and mitigated. The Fund performs an ex-ante evaluation and an ex-post review of the risks; although the Fund targets investments with positive environmental characteristics, the investments to be made are likely to be materially affected by sustainability risks with potential consequences on returns. The Fund is evaluating the possibility of integrating into the risk models suitable systems for assessing the likelihood of ESG relevant risks with respect to the Fund's returns.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements of the sustainable investment strategy are:

- Negative screening;
- Positive screening;
- Exclusive selection of projects which generate or enable the generation of electricity from renewable energy sources, focused on – but not limited to – greenfield unsubsidised solar photovoltaic parks. It is worth specifying that up to ten per cent (10%) of commitment may be, under the investment strategy be invested in early-stage development greenfield stage projects.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Not foreseen, as the investment strategy has been implemented from the constitution of the Fund and all the investments made are aimed at attaining the environmental characteristic promoted by the Fund.

- ***What is the policy to assess good governance practices of the investee companies?***

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Good governance practices are ensured by assessing, during the pre-due diligence and due diligence phases, compliance with legal requirements, sound management structures, employee relations, remuneration of staff and tax compliance.

More in the specific, indicators related to the abovementioned aspects, such as the adoption of Organisational and Management Model pursuant to Italian Legislative Decree no. 231/2001, the adoption of anti-corruption policies and procedures, the adoption of human rights and workers' protection policies and procedures are included in the ESG DD.

Specific ESG action plans implemented throughout the investment period and drafted according to the pre-investment findings might include the adoption of policies and procedures and/or the development of specific actions aimed at fostering good governance practices.

What is the asset allocation planned for this financial product?

The Investment Strategy is primarily based on establishing long-term partnerships with successful and experienced developers, investing and creating value by being significantly involved since the early stage of the development process and lead first-hand the construction, financing and operational stage of a greenfield project.

Asset allocation describes the share of investments in specific assets.

For the sake of clarity, the Fund will also invest a limited amount of commitment (up to ten per cent (10%)) in early-stage development greenfield stage projects, involving a higher risk of failure to obtain or substantial delays in obtaining: (i) regulatory, environmental or other approvals or permits, (ii) financing, (iii) leasing, and (iv) suitable equipment supply, operating and off-take contracts ("Early-Stage Projects"). Such Early-Stage Projects are intended to provide access, securing a broader potential pipeline of investments at a lower entry cost, and are intended to strengthen the market profile of the Fund to facilitate this. The Fund might occasionally and opportunistically invest in assets which are already operational.

Except for a limited amount of commitment – 10% in development greenfield stage projects – and of cash held as ancillary liquidity, all the portfolio is to be invested in renewable energy projects or projects which enable the production of energy from renewable sources.

- ***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

  The use of derivative instruments is not envisaged for the purpose of the attainment of the characteristic promoted by the Fund.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No specific index has been designated as a benchmark to determine whether the Fund attains the environmental characteristic it promotes.

The degree to which the environmental characteristic is attained by the Fund is measured through specific indicators described in the abovementioned section *"Which sustainability indicators are used to measure compliance with each of the environmental or social characteristics promoted by the financial product?"* of the present document.

The Fund's periodic reports will describe the extent to which the environmental characteristic is attained.

Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.eosimgroup.com/sustainability.

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EUROPEAN STUDENT ACCOMMODATION CORE FUND SCA SICAV-RAIF

Sustainable Finance Disclosure Regulation
The European Commission has introduced a series of legal measures (the primary one being the Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088), "SFDR") requiring firms that manage investment funds to provide transparency regarding how financial market participants integrate sustainability risks into the investment process.

The following is designed to address the AIFM's disclosure obligations in respect of the Fund:

Integration of Sustainability Risks
The AIFM and the Investment Adviser believe that material environmental, social and governance ("ESG") factors are an important driver of long-term investment returns from both an opportunity and a risk-mitigation perspective. As such, the AIFM and the Investor Adviser consider sustainability risks and opportunities in their assessment of each investment of the Fund. The AIFM and the Investment Adviser consider such analysis as crucial given that the Fund promotes ESG and is classified as Article 8 under the SFDR.

In respect of the Fund, the responsible investment policy (the "Responsible Investment Policy") intends to provide a broad framework for the approach to ESG integration. The Responsible Investment Policy is a guideline for formalizing and focusing responsible investment efforts, while recognising the importance of the built environment in matters of environmental sustainability and that ESG issues have a meaningful impact on delivering investment results for investors. In managing the Fund and in providing non-discretionary investment advice with respect to the Fund, each of the AIFM and the Investment Adviser respectively have regard to the terms of the Responsible Investment Policy when determining what investments the Fund should make. In doing so, the AIFM and the Investment Adviser will integrate ESG factors (including but not limited to the consideration of sustainability risks) into the investment decision-making process and its investment advice, respectively.

The investment selection process for each proposed real estate asset acquisition follows a structured process through selection, review and approval:

1. Pre-due diligence on each real estate asset, during which ESG factors, including sustainability risks, are assessed; and
2. Post-due diligence on each real estate asset, during which the results of the initial ESG screening as well as any post-acquisition measures are considered.

Further details on the AIFM's and the Investment Adviser's approach to ESG integration and sustainability-related stewardship can be found at www.esacf.com/esg.

Assessment of the likely impacts of sustainability risks on the returns of the Fund
Factoring an assessment of the likely impact of sustainability risks into the investment decision-making process (and the investment advice) has the potential to impact the returns of the Fund. For example, it is possible that such an assessment may influence a decision by the AIFM not to make an investment or dispose of an existing investment that would otherwise be considered as attractive to invest in or retain when confining the factors considered to financial-related elements such as financial position, revenue, capital structure, etc. Accordingly, the Fund, which is classified as Article 8 under SFDR, may underperform or perform differently relative to other comparable funds that do not promote environmental and/or social characteristics.

Ultimately, it is difficult to predict with any accuracy the precise impact of sustainability risks on the returns of the Fund. The impact would depend on the nature, scope and severity of such risks.

Environmental or social characteristics promoted by the Fund
The Investment Adviser has established a Responsible Investment Policy for the Fund which sets long-term ESG objectives and defines clear short and medium-term milestones for achieving these long-term ESG objectives.

To meet these objectives, a strategy that has five main components has been formulated:

1. **Strategic Risk Framework**: Our investment process and a distinctive value creation approach is constructed and implemented in order to future-proof asset classes, being conscious on the one hand on the fiduciary duty towards investors and on the other hand considering our ESG limits. With this in mind the AIFM in conjunction with the Investment Adviser always strives to ensure an effective response to risk factors through critical exclusions and active ESG risk screening and management. This includes ensuring that mitigation measures, such as improving the carbon performance of the asset (Environmental) or improving students' wellbeing (Social) are underwritten and embedded in the asset business plans. On the other hand, the AIFM in conjunction with the Investment Adviser actively pursues all opportunities to enhance value through green practices, to set and achieve ambitious targets with respect to climate change, e.g. improving carbon performance, obtaining EPC certifications, etc. (Environment) and effect positive social impact and support the well-being of users of the Fund's real estate assets in alignment with the WELL Health-Safety Rating for Facility Operations and Management (Social), while delivering competitive risk-adjusted financial returns. While good governance for real estate assets cannot be assessed at the real estate level itself, the lessor of the real estate assets and other external counterparties and/or service providers engaged in the acquisition, holding and disposal of the real estate assets will be subject to proper initial and ongoing due diligence reviews.

2. **Investment Plan**: The purpose of the investment plan is to set out the key objectives for the portfolio in the forthcoming year, based on the current portfolio composition and past performance, as well as revised forecasts for each asset in the portfolio based on the latest market forecasts and recommendations.

3. **Investment Selection**: Investment selection follows a structured process through selection, review, and approval and involves the investment committee of the Investment Adviser and the investment committee of the AIFM, together the "**Investment Committees**". The AIFM's investment committee has the objective of delivering the Fund's target return within a pre-defined strategic risk framework and considering the environmental and social characteristics that it promotes. The Investment Adviser's investment committee may include a representative from the General Partner's and the AIFM's ESG teams, providing insight and oversight on relevant topics. Approval for any proposed acquisition is divided into two distinct stages: (1) pre-due diligence, when initial ESG screening is undertaken, and (2) post-due diligence (final approval), when due diligence results and any post-acquisition measures/underwriting are considered. The Investment Committees consider the findings of the pre- and post-due diligence, screening and analysis during the investment selection process. The Investment Committees seek to apply an asset-class specific set of criteria when evaluating assets and key counterparties. This information is presented in each deck prepared by the Investment Committees and as otherwise deemed appropriate.

4. **Asset Management**: Following acquisition, each asset is on-boarded onto an appropriate ESG data monitoring system ("**DMS**"), including the data collected during the DMS profile which is the responsibility of the lessor(s). The Investment Adviser works in collaboration with external specialist advisors, property managers, tenants, third-party data providers and other parties. An ESG action plan is developed for each individual investment, as appropriate for the asset type taking into account the environmental and social characteristics promoted by the Fund. The action plan is based on an assessment of the asset's sustainability performance. The actions and targets are embedded in the asset business plan and executed.

5. **Reporting**: Yearly reporting is shared with investors where the identified environmental and social characteristics promoted by the Fund are considered in the portfolio performance: (1) backward looking performance against the Fund's ESG strategy and timeline applicable for the investment strategy including all metrics and KPIs; (2) ESG risk profile; and (3) annual ESG action plan and implementation status.

Detailed information on the Responsible Investment Policy can be found on: www.esacf.com/esg

Please refer to the Fund's SFDR Annex attached to this Memorandum which contains additional SFDR disclosures for the Fund.

The SFDR Annex has been prepared for the purpose of meeting the specific financial product level disclosure requirements contained in the SFDR applicable to an Article 8 financial product, and follows the form of the template in Annex II of the Commission Delegated Regulation (EU) 2022/1288. Unless defined in the SFDR Annex, all defined terms used in the SFDR Annex shall have the same meaning as in the Memorandum.

It is noted that some matters of interpretation of SFDR remain open (subject to ongoing exchanges between the European Supervisory Authorities and the European Commission). It is likely that the SFDR Annex will need to be reviewed and updated once further clarification is provided on the open matters of interpretation of SFDR. Such clarifications could require a revised approach to how the Fund seeks to meet the SFDR disclosure obligations.

Disclosures in the SFDR Annex may also develop and be subject to change due to ongoing improvements in the data provided to, and obtained by, financial market participants and financial advisers to achieve the objectives of SFDR in order to make sustainability-related information available to investors.

Compliance with the SFDR pre-contractual disclosure obligations is therefore made on a best efforts basis and the Fund issues the SFDR Annex as a means of meeting these obligations.

IMPORTANT: Investors should note that as a financial product which promotes environmental or social characteristics, the Fund may underperform or perform differently relative to other comparable funds that do not promote environmental or social characteristics.

Taxonomy Regulation disclosure

The Fund promotes environmental and/or social characteristics, but it does not have a sustainable investment objective and will not make any sustainable investments. In addition, the AIFM does not integrate a consideration of environmentally sustainable economic activities into the investment process for the Fund. Therefore, for the purpose of the Taxonomy Regulation, it should be noted that the investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

Where the Fund is classified as Article 8 under the SFDR, i.e., a financial product which seeks to promote ESG, such fund bears the risk that because investments are selected and managed taking into account both financial and non-financial considerations, the fund may underperform the broader market or other funds that do not utilize ESG criteria when selecting and managing assets. ESG investing is to an extent subjective and there is not guarantee that all investments made by the Fund will reflect the beliefs or values of any particular investor.

Exclusion or disposal of assets which do not meet the Fund's ESG criteria may cause the Fund to perform differently compared to similar funds that do not have an ESG focus.

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: European Student Accommodation Core Fund SCA SICAV-RAIF

Legal entity identifier: pending

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☑ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

European Student Accommodation Core Fund SCA SICAV-RAIF (the "Fund") promotes the following environmental and social characteristics through some of the direct and indirect investments[11] it makes:

[11] All leaseholds and assets operated by certain hotel chains are excluded.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

1. Long-term carbon reduction;
2. Lower energy use and/or reduce exposure to energy inefficient assets; and
3. Social and community infrastructure.

Please refer to the below sustainability indicators for further details.

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund. However, noting the Fund's investment focus, namely, investment in real estate, the Fund has aligned with GRESB to set the performance measurement framework for the Fund. The Fund reports to GRESB under the Real Estate Assessment, which in turn generates the GRESB Real Estate Benchmark, which considers management and performance factors.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

E/S Characteristic Promoted	**Sustainability Indicator**
Long-term carbon reduction	Net Zero by 2040: The Fund targets Net Zero Carbon ("NZC") Emissions by 2040. For these purposes: 1. "Net Zero" means a Carbon Emissions target aligned to recognized initiatives such as the Science Based Targets initiative ("SBTi") Criteria. The Fund's Net Zero program will be aligned with SBTi from the date on which the Fund was launched, i.e. 31 March 2023, but it won´t be submitted to SBTi until 2025 considering the expected growth of the Fund's portfolio. 2. "Carbon Emissions" means: a) Scope 1 Emissions (i.e. direct emissions of a company from owned and controlled sources); b) Scope 2 Emissions (i.e. indirect emissions of a company from the generation of purchased energy); and c) Scope 3 emissions (i.e. all indirect emissions not included in Scope 2). For property investments that are not yet Net Zero, the Fund aims to achieve NZC Emissions by 2040 by achieving the below-listed milestones: - Between 2023 and 2027, the Fund will apply a carbon reduction target of 20% with respect to Scope 1 and 2 Emissions. - Between 2027 and 2032, the Fund will apply a carbon reduction target of: (i) 50% of Scope 1 and 2 Emissions; and (ii) 30% of Scope 3 Emissions. The Fund aims to

	reduce at least 42% of its Scope 1 and 2 emissions by 2030, following which a compensation plan for residual emissions shall be put in place. - Between 2032 and 2037, the Fund will apply a carbon reduction target of 70% with respect to Scope 1, 2 and 3 Emissions. For property investments that achieve Net Zero, the Fund will seek to maintain NZC Emissions for the duration of the lifecycle of the relevant real estate asset. Disclosures in this document may develop and be subject to change due to ongoing improvements in the data provided to, obtained by and analyzed in respect of the Fund.
Lower energy use / Reduce exposure to energy inefficient assets	The Fund will use the following sustainability indicators to measure the attainment of this environmental characteristic promoted by the Fund: 1. Energy performance certificates; and 2. Energy consumption / intensity.
Social and community infrastructure	The Fund will promote good practices in well-being issues for the occupants of the real estate assets by earning internationally recognized ratings. Over a 4-year period commencing in 2023 and ending in 2026, the Fund will seek to achieve the 'WELL Health-Safety' rating for Facility Operations and Management across the entirety of the Fund's portfolio. From 2026, the Fund will seek to maintain this internationally recognized rating across the entirety of the Fund's portfolio. In addition and over the same 4-year period commencing in 2023 and ending in 2026, the Fund will implement the 'Value to Society' methodology to measure the social value impact of the assets and the Fund itself. From 2026, the Fund will measure and seek to at least maintain but ultimately to improve this 'Value to Society' methodology. The WELL Health-Safety Rating for Facility Operations and Management is a roadmap for driving resilience into the center of business policies and operational plans, focused on operational policies, maintenance protocols and emergency plans (spaces clean and sanitized, health benefits and services, communication of health and safety efforts, emergency plans and assess air and water quality). Through the "Value to Society" methodology, the Fund will measure and establish key performance indicators ("KPIs") (i) for social issues, (ii) for assigning monetary values, (iii) to identify and evaluate the impact generated by the activity, and

	(iv) for the assets and the Fund to make better decisions among different stakeholders, communities and the environment.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Not applicable.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Not applicable.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes, ______

☑ No

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The Fund is a limited liquidity, perpetual life, European core+ real estate fund. The Fund is designed to purchase, manage and sell institutional quality student accommodation properties, reasonably similar in all material aspects to those contained within the Seed Portfolio, to be inclusive of properties catering for young professionals generally seeking accommodation soon after their higher or further education studies, primarily in Spain and Portugal, with investments complementary to the Fund's portfolio also sought in Italy or other European countries.

The strategic positioning of the Fund to achieve the target return is based on:

1. *Themed approach*: the Fund has a very clear strategy which is to invest in institutional quality student accommodation ("IQSA") in Europe with a distinct focus in Iberia.

2. *Sustainable cash flows*: the ability for an asset to always attract occupiers and to sustain cash flow is central to the Fund´s strategy (countercyclical nature of income).

3. *Top-down research lead portfolio construction*: in our approach to core+ investing, we focus on income, ensuring capital preservation and long term growth.

4. *Prime and dominant position within each region*: supportive IQSA market fundamentals driven by large supply-demand imbalance.

5. *Income Enhancement*: the Fund looks for hidden unrecognised and unrealised value in all acquisitions. The Fund will look to unlock value through the acquisition of turnkey assets (with a 2Y income guarantee) or stabilized assets with occupancies over 90% and active asset management.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The Fund will ensure that the following ESG targets are met for the portion of the investments used to meet the environmental and/or social characteristics promoted by the Fund:

E/S	Environmental		Environmental and Social		Social	
Target	**Energy Performance**	**Carbon Reduction Target**	**Building certifications (BREEAM)**	**GRSEB**	**Building certifications (WELL Health and Safety)**	**Social Value**
2023	/	Carbon footprint calculation and baseline establishment for Scope 1, Scope 2 and Scope 3 emissions	Building certification BREEAM In Use Part 1 and/or Part2: 50% m2 assets certified (Good level) in Part 1 and / or Part 2	/	Building certification WELL Health and Safety: 50% assets certified	An attempt will be made to implement the "Value to Society" methodology to measure the impact of the Social Value related to the assets and the Fund itself.
2024	/	/	/	2023 assessment GRESB portfolio performance score Investment Adviser: 3 stars The Investment Adviser may elect not to publish its results.	Building certification WELL Health and Safety: 75% assets certified	/
2026	Where properties are rated C/D: an improvement to a minimum rating of: 100% B	/	Building certification BREEAM In Use Part 1 and/or Part2: 50% m2 assets certified (Good level) in Part 1 and / or Part 2 50% m2 assets certified (Very Good level) in Part 1 and / or Part 2	/	Building certification WELL Health and Safety: 100% assets certified	Implementation of the the "Value to Society" methodology to measure the impact of the Social Value related to the assets and the Fund itself. KPI: Economic
2027	Where properties are rated E/F/G: an improvement to a minimum rating of at least 80% B and 20% C	Reduce at least 20% of its Scope 1 and 2 emissions	/	2026 assessment GRESB portfolio performance score Investment Adviser: 4 stars	Building certification WELL Health and Safety: 100% assets recertified The Investment Adviser will seek to achieve this recertification on an annual basis until 2040.	Improvement of the "Value to Society" the impact of the Social Value related to the assets and the Fund itself. KPI: Economic The Investment Adviser will seek to achieve this KPI on an annual basis until 2040.
2030	Implementation of actions to achieve the 2040 objective	Reduce at least 42% of its Scope 1 and 2 emissions, following with a compensation plan for residual emissions. Next milestones for emission reduction: 2032 50% Scope 1 and 2 2032 30% Scope 3 2037 70% Scope 1, 2 and 3	Building certification BREEAM In Use Part 1 and/or Part2: 50% m2 assets certified (Very Good) in Part 1 and / or Part 2 50% m2 assets certified (Excellent) in Part 1 and / or Part 2	2029 assessment GRESB portfolio performance score Investment Adviser: 5 stars The Investment Adviser will seek to acheive this performance score on an annual basis until 2040.	/	/
2040	All properties: an improvement to a minimum rating of 80% AA and 20% B Aligned with NZC objective	NZC emissions portfolio	Building certification BREEAM In Use Part 1 and/or Part2 50% m2 assets certified (Very Good) in Part 1 and / or Part 2 50% m2 assets certified (Excellent) in Part 1 and / or Part 2	/	/	/

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Not applicable.

- ***What is the policy to assess good governance practices of the investee companies?***

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

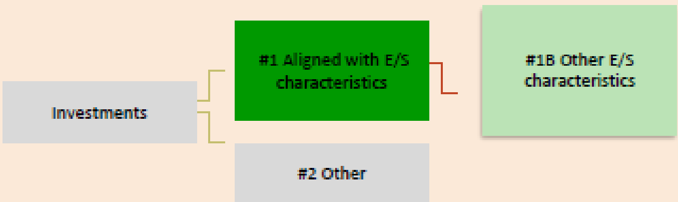
The AIFM in conjunction with the Investment Adviser diligences the lessor of the real estate assets and other external counterparties and/or service providers engaged in the acquisition, holding and disposal of the real estate asset in question for good governance practices and more generally from a corporate governance perspective (to the extent such data can be obtained or reasonable assumptions can be made). As part of this process, robust ESG due diligence questionnaire responses will be requested pre-appointment and monthly post-appointment update calls will be organised. In addition, each lease agreement with the lessor of the real estate assets will include 'green clauses'. These clauses are intended to ensure that each leased property is used and managed in a manner which fosters sustainability.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

The planned minimum proportion of investments used to meet the environmental and/or social characteristics promoted by the Fund is 70% of the Fund's assets (excluding all leaseholds and assets operated by certain hotel chains). The remainder of the Fund's assets and their purposes are detailed in the 'What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?' section below and further in the private placement memorandum of the Fund. The Fund does not commit to investing in sustainable investments or investments aligned with the EU Taxonomy.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable. While the Fund may make use of derivatives for hedging, liquidity, efficient portfolio management and/or investment purposes, derivatives are not used for direct real estate investments. As such, they are not used to attain the environmental or social characteristics promoted by the Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable.

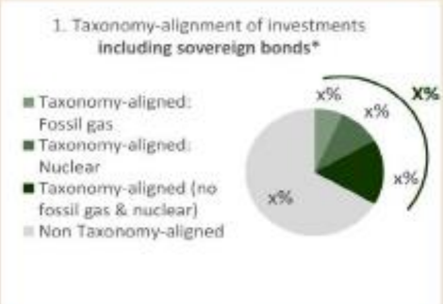
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?

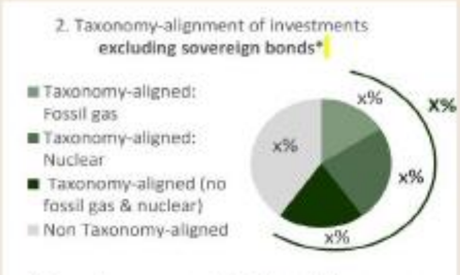
☐ Yes: ☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

[only include in the graphs the figures for Taxonomy aligned fossil gas and/or nuclear energy as well as the corresponding legend and the explanatory text in the left hand margin if the financial product makes investments in fossil gas and/or nuclear energy]





This graph represents x% of the total investments.

* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

- ***What is the minimum share of investments in transitional and enabling activities?***

  Not applicable.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not applicable.

What is the minimum share of socially sustainable investments?

Not applicable.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

Investments such as cash or other holdings retained for example for liquidity, hedging or cash management purposes may fall under '#2 Other' since such investments do not contribute to the environmental and/or social characteristics promoted by the Fund. The '#2 Other' section may also include investments (i) for which the AIFM does not have sufficient data to confirm that they are aligned with the environmental and/or social characteristics promoted by the Fund and/or (ii) which are at the time of acquisition not aligned with the environmental and/or social characteristics promoted by the Fund but which will be subject to an enhancement plan to align them with the environmental and/or social characteristics promoted by the Fund. No minimum environmental or social safeguards are applied to these '#2 Other' investments.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

There is no applicable reference benchmark index currently available for private real estate investment.

However, noting the Fund's investment focus, namely, investment in real estate, the Fund has aligned with GRESB to set the performance measurement framework for the Fund. The Fund reports to GRESB under the Real Estate Assessment, which in turn generates the GRESB Real Estate Benchmark, which considers management and performance factors.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

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Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

Not applicable.

Where can I find more product specific information online?

More product-specific information can be found on the website:

Further information can be found on: www.esacf.com/esg.

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LIFESTYLE FUND II

1. In relation to the investment activity of the Fund, the General Partner enacts an internal policy for the promotion of a sustainable approach for investments (so called environmental, social and governance) as further described in this Section **Error! Reference source not found.** (the "**ESG Policy**"). The General Partner has categorised this Fund as a financial product that promotes environmental or social characteristics (Article 8 of SFDR) for the purposes of the SFDR. Information referred in the SFDR, including the information related to the environmental or social characteristics of the Fund, shall be disclosed to investors along with this Issuing Document.

2. Sustainability risks, as in compliance with the ESG Policy, can arise from environmental and social impacts on a potential asset, as well as from the corporate governance of the lessee or seller of an asset. Examples include reputational damage and/or punitive measures, physical risks, and transition risks caused, for instance, by climate change. Sustainability risks may have an amplifying effect on the risks described under the previous Section **Error! Reference source not found.**. To the extent that sustainability risks materialize, they may have a significant impact - up to and including a total loss - on the value and/or return of the assets concerned and, accordingly, on the Fund.

3. The investments underlying this Fund do not take into account the European Union criteria for environmentally sustainable economic activities.

4. The Fund, pursuant to the ESG Policy, is not invested in the sectors listed under previous Section **Error! Reference source not found.**, which are not considered suitable for investments from an ESG standpoint.

5. According to the ESG Policy, where deemed appropriate the General Partner may:

   a) perform a specific ESG due diligence on potential target companies, aimed at assessing whether and to which extent said potential target companies can be considered ESG compliant, also highlighting potential improvements that may be made from an ESG perspective by such companies through the investment of the Fund. The objective of the consideration of sustainability risks by the General Partner is to avoid corresponding capital investments as early in the acquisition process or to identify as early as possible the occurrence of these risks and to take appropriate measures to minimize the impact on the affected assets or the impact on the overall portfolio of the Fund; and

b) use key risk indicators to measure sustainability risks. Key risk indicators may be of a quantitative or qualitative nature that are based on ESG aspects and serve to measure the risk of the aspects under consideration.

6. The General Partner takes into account the results of the ESG due diligence (if any) in the context of the performance of each investment transaction retaining full discretion in the decision to carry out investment transactions within the limits set out in this Issuing Document.

7. According to the ESG Policy and the ESG information and data collected during the monitoring of Portfolio Companies the General Partner carries out an annual ESG assessment on each Portfolio Company, eventually with the support of an external advisor with specific expertise in verifying the ESG compliance (the "**ESG Advisor**"), for the purpose of assessing its current level of ESG compliance and the improvements (or any lack thereof) (the "**ESG Annual Report**").

8. The ESG Annual Report is made available to the Investors at the registered office of the Fund and it is presented – upon request – to the Advisory Board by the General Partner with the support of the ESG Advisor (if any). In case the Advisory Board requests so, a specific Advisory Board meeting shall be called every year for the purpose of presenting the ESG Annual Report. During the Advisory Board meeting the members of the Advisory Board may address to the General Partner and the ESG Advisor any relevant question on the ESG Annual Report.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Lifestyle Fund II

Legal Entity Identifier: [•]

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective: _______%.** ☐ in economic activities that are considered environmentally sustainable according to the EU taxonomy ☐ in economic activities that are not considered environmentally sustainable according to the EU taxonomy	☐ **It promotes environmental/social (E/S) characteristics and**, while not having sustainable investment as its objective, it will have a minimum quota of _________% of sustainable investment ☐ with an environmental objective in economic activities that are considered environmentally sustainable according to the EU ☐ with an environmental objective in economic activities that are not considered environmentally sustainable according to the EU taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective: _______%.**	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social features are promoted by this financial product?

Lifestyle Fund II (the "**Fund**") promotes environmental and social characteristics, preferring to invest in companies that follow good governance practices and respect human capital - detailed in section "Which investment strategy does this financial product follow?

The environmental characters promoted by this financial product are:

- Reducing greenhouse gas emissions (GHG).

The social characteristics promoted by this financial product are:

- fighting against active and passive corruption;
- labour protection.

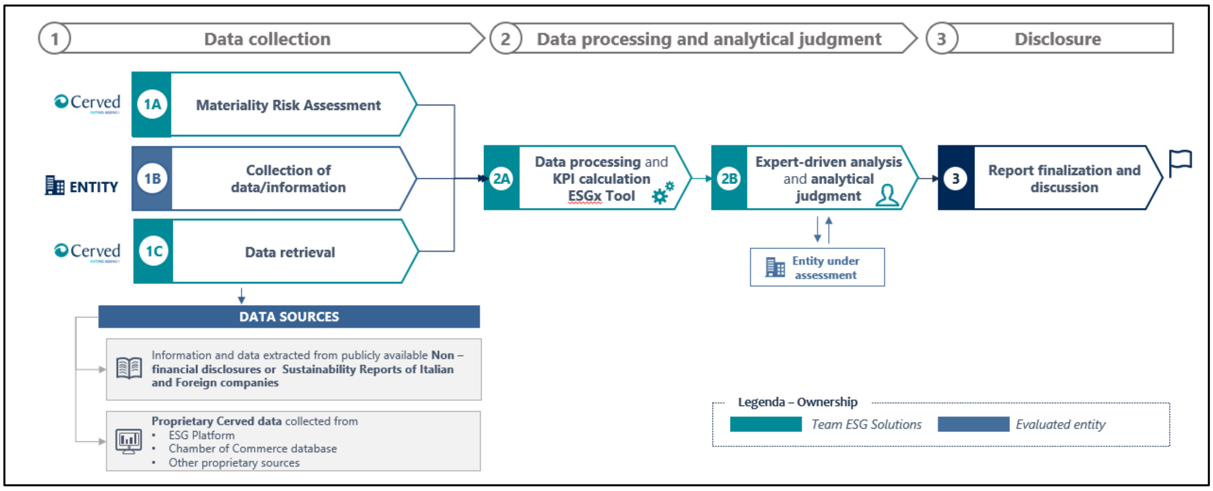
The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Please note that no specific index has been designated as a benchmark to determine whether the Fund is aligned with the environmental and social characteristics it promotes.

Which sustainability indicators are used to measure compliance with each of the environmental or social characteristics promoted by the financial product?

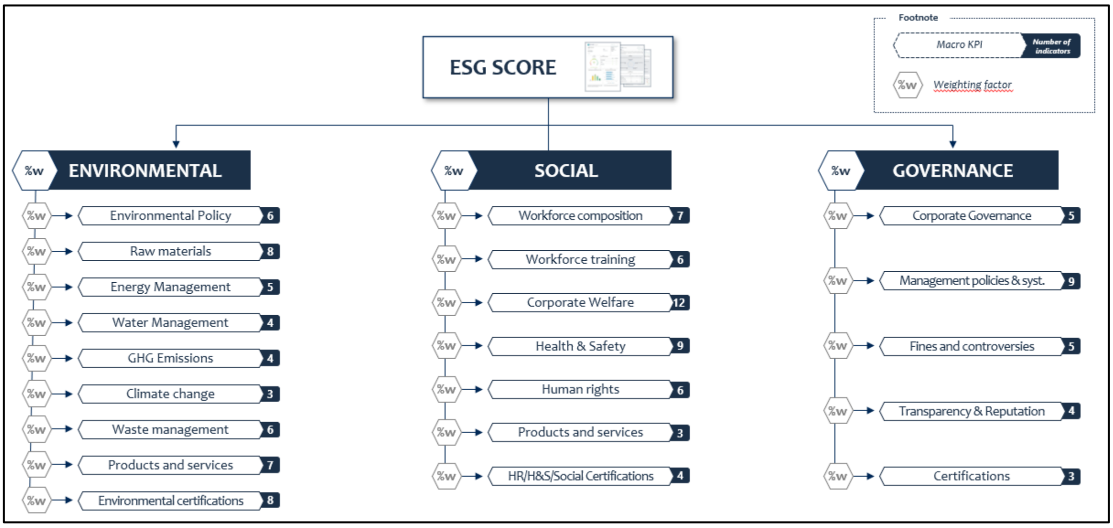
Compliance with the environmental and social characteristics promoted by this financial product is measured through an ESG Assessment throughout the investment process (due diligence, holding and exit phase) performed by external providers, which involves target companies of the Fund. The main output of the ESG assessment process consists in a synthetic judgment on company's ability to manage environmental, social and governance issues. The target company collects the necessary data and supporting documents on different topics related to the environmental, social and governance components. The information provided are subsequently elaborated to obtain an indication of the target company's overall ESG performance. More specifically, the ESG assessment process is based on the analysis of a set of key performance indicators (for all E, S and G areas) which are examined through a comparison between target company results and overall sector performance. The Social and Governance areas will be compared with the performance obtained by the company regardless of the sector it belongs to. On the other hand, the environmental components are assessed according to a sectoral logic that guarantees an accurate parameterization of the indicators considered.

The methodological approach is described as follows:

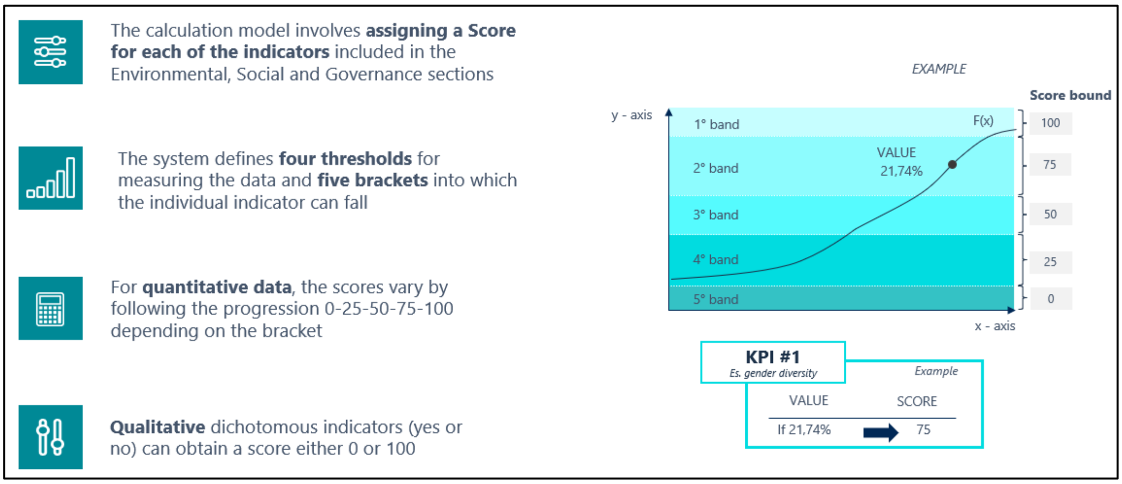
ESG Assessment Process – Analytical Steps


1 Data collection
2 Data processing and analytical judgment
3 Disclosure
Cerved
1A Materiality Risk Assessment
ENTITY
1B Collection of data/information
Cerved
1C Data retrieval
2A Data processing and KPI calculation ESGx Tool
2B Expert-driven analysis and analytical judgment
3 Report finalization and discussion
Entity under assessment
DATA SOURCES
Information and data extracted from publicly available Non – financial disclosures or Sustainability Reports of Italian and Foreign companies
Proprietary Cerved data collected from
ESG Platform
Chamber of Commerce database
Other proprietary sources
Legenda – Ownership
Team ESG Solutions
Evaluated entity

ESG Methodology Model Tree



Key Performance Indicators (KPI) – Scoring system.



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List of Environmental Key Performance Indicators (KPI)

	KPI Description	KPI Calculation Formula
Environmental Policy	• Adoption of environmental policy • Adoption of environmental policy (applicable to employees) • Adoption of environmental policy (applicable to suppliers) • Environmental objectives measurable through KPIs • Adoption of circular business model • Biodiversity	Dichotomous indicators (yes/no)
Raw materials	• Use of dangerous materials in production process • Monitoring of paper consumption • Monitoring of plastic consumption • Presence of efficiency plans concerning the use of raw materials	Dichotomous indicators (yes/no)
	• Paper intensity • Use of FSC/PEFC certified paper • Plastic consumption intensity • Percentage of recycled or reused water on the total	• Total paper consumed (Kg) / total turnover (€M) • FSC/PEFC certified paper / total paper consumed (%) • Total plastic material consumed (Kg) / Total turnover (€M) • Recycled or reused water (mc) /total water consumed (mc)
Energy management	• Monitoring energy consumption • Presence of energy efficiency plans • Use of energy from renewable sources	Dichotomous indicators (yes/no)
	• Intensity of energy consumption • Energy from renewable sources ratio (%)	• Total energy consumed (MWh) / Turnover (€M) • Total consumed energy from renewable sources / Total energy consumption (%)
GHG Emissions	• Presence of GHG emissions monitoring system • Presence of reduction plans of GHG emissions	Dichotomous indicators (yes/no)
	• GHG emissions intensity (Scope 1+2) • GHG emissions intensity (Scope 1)	• Scope 1 emissions+ Scope 2 emissions in tCO2 / turnover (€M) • Scope 1 emissions in tCO2 / turnover (€M)
Water management	• Presence of water consumption monitoring system • Use of recycled water	Dichotomous indicators (yes/no)
	• Water intensity • Percentage of recycled/reused water	• Total water consumption (mc) / Total turnover (€M) • Total recycled water (mc) / Total water consumption (mc)
Waste management	• Presence of waste monitoring system • Presence of hazardous waste (y/n) • Adoption of policies for the management of dangerous waste (y/n) • Separate collection of waste in production sites	Dichotomous indicators (yes/no)
	• Waste generation intensity • Percentage of recycled or reused waste	• Total of waste generated (tons) / Turnover (€M) • Total of recycled or reused waste / Total of waste generated (%)
Products and services	• Presence of sustainable products or services • Suppliers screening based on environmental and social criteria • Suppliers screening binding for the final selection • LCA of products/services	Dichotomous indicators (yes/no)
	• Percentage of turnover resulting from sustainable products/services • Percentage of turnover resulting products/services related to SDGs	• Turnover from sustainable products or services/total turnover • Turnover from products or services linked to SDGs/total turnover
	• Research and Development investments	Absolute value in €M
Env. certifications	• Presence of environmental certifications (ISO 14001, ISO 9001, Ecolabel, EMAS) • Presence of certificate ISO 50001 • Adoption of a procedure regarding Environmental Impact Assessment • Presence of environmental officer/manager • Acquisition of environmental certificates for buildings	Dichotomous indicators (yes/no)
Climate change	• Production sites located in area at risk of extreme climate events • Adoption of initiatives aiming to mitigate climate risk impact • Presence of negative impacts in the last 3 years due to extreme climate events	Dichotomous indicators (yes/no)

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List of Social Key Performance Indicators (KPI)

	KPI Description	KPI Calculation Formula
Workforce composition	• Gender diversity • Permanent contracts • Under 30 employee's ratio • Average length of service	• Women employees / Men employees • Number of employees hired with permanent contracts / Total employees • Number of employees under 30 years old/ Total employees • Sum of length of service of all employees / Total employees
	• Gender ratio of permanent contracts	% female employees having a permanent contract/ % male employees having a permanent contract
	• Employee turnover	Number of employees leaving the company in the reference year/ Number of total employees in the previous year *100
	• New employee rate	Number of new employees in the reference year / number of total employees in the reference year *100
Training	• Training courses for employees • Career development plans	Dichotomous indicator (yes/no)
	• Training hours per employee	• Training total hours / Total employees
	• H&S training courses	• Total H&S training hours / Total training hours
	• Training courses related to anticorruption, anti-money laundering, Code of Ethics	• Total hours of training on Anticorruption, anti-money laundering, Code of Ethics / Total training hours
	• Digital training courses	• Total training hours in digital courses / Total training hours
Corporate welfare	• Life insurance for employees • Supplementary healthcare fund for employees • Insurance for injuries in the working place • Parental leave for employees • Supplementary pension plan for employees • Flexible benefits • Meal voucher/canteen • Smart-working • Employee discounts • Employees satisfaction survey • Philanthropic activities • Employees satisfaction survey results	Dichotomous indicators (yes/no)
Health & Safety	• Adoption of an H&S Policy • Application of the H&S Policy on the suppliers • Workforce exposure to dangerous raw materials • Hazardous raw materials management procedure • Presence of an Injury recording system	Dichotomous indicators (yes/no)
	• Fatal incidents (number of fatal incidents in the reference year) • Injury rate • Absentee rate • Occupational disease rate	• Total number of incidents • Total number of injuries in the reference year/ total number of worked hours * 200.000 • Number of absence days / Total working days *100 • Total number of occupational disease in the reference year / Total number of worked hours * 200 000
Human rights	• Discrimination episodes recorded during the reference year • Collective bargaining	• Number of incidents • Number of employees covered by collective bargaining / Total number of employees
	• Equal opportunity policy • Policy for the abolition of child labor • Policy for the abolition of forced labor • Screening of the supply chain regarding human rights application	Dichotomous indicators (yes/no)
Products and services	• Fines/sanctions regarding labelling products	• Number of events of breaching codes and law for labelling products and services
	• Fines/sanctions on the health and safety of products	• Number of events of breaching codes and law for impacts of products and services to the health and safety of consumers
HR/H&S/Social Certifications	• Certifications regarding H&S/HR/Social topics (ISO 45001, ISO 26000, SA 8000. ISO 20400)	Dichotomous indicators (yes/no)

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List of Governance Key Performance Indicators (KPI)

	KPI Description	KPI Calculation Formula
Composition governance board	• Presence of governance board • Correspondence between CEO and President of the Governance Board	Dichotomous indicators (yes/no)
	• Women in top management (%) • Independent board members (%) • Women board members (%)	• Women in top management / Total top managers • Independent board members / Total Board members • Women board members / Total Board members
Policies and management systems	• Presence of anti-money laundering policies • Presence of a whistleblowing procedure • Adoption of anticorruption policies • Presence of an internal and external control system • Corruption cases • Partnership for sustainable development initiatives • Agreements on workers/environment legal protection • Presence of a sustainability manager • Remuneration mechanism linked to sustainability objectives	Dichotomous indicators (yes/no)
Fines and controversies	• Environmental fines or sanctions • Sanctions related to social-economic matters • Legal cases regarding the privacy protection of clients • Confirmed corruption cases	Dichotomous indicators (yes/no)
Transparency and reputation	• Code of Ethics applicable to employees • Code of Ethics applicable to suppliers • Adoption of a corporate sustainability plan • Presence of sustainability objectives measurable with KPIs	Dichotomous indicators (yes/no)
Certifications	• Organization and Management Model 231/01 • ISO 37001 Certifications • Legal Rating («Rating di Legalità AGCM»)	Dichotomous indicators (yes/no)

Does this financial product take into account the main adverse impacts on sustainability factors?

☐ Yes

☒ No

The Fund does not take into account the Principle Adverse Impact Indicators on sustainability factors in accordance with Regulation 2019/2088. The rationale for this position is the limited availability of information and data necessary for proper evaluation and reporting in the manner required by the legislation.

What investment strategy does this financial product follow?

The purpose of the Fund is to increase the value of its assets in the medium to long term, through current return on invested capital and through achieving capital gains on disposal of its investments. The Fund's main objective is the acquisition of equity interests in target companies which operate in the typical sectors of "lifestyle businesses" and manufacturing such as clothing, accessories (eyewear, jewels, footwear, leather goods) cosmetics, design products and furniture, agri-food businesses.

The Fund's environmental and social characteristics are promoted through implementing an investment strategy that includes:

- Negative selection. The Fund may not invest in companies that are involved (or that directly or indirectly control other companies involved) in one or more of the following sectors (i.e. 'excluded sectors'):
  a) an illegal economic activity (that is, any production, trade or other activity, which is illegal under the laws or regulations applicable to the Fund or the relevant investment, including without limitation, human cloning for reproduction purposes);
  b) the production of, and trade in, tobacco and related products
  c) the production of, and trade in, weapons and ammunition of any kind
  d) casinos and equivalent enterprises
  e) the research, development or technical applications relating to electronic data programs or solutions, which:
     - aim specifically at supporting any activity referred to under letters (a) to (d) above, internet gambling and online casinos, or pornography; or
     - are intended to enable to illegally enter into electronic data networks or download electronic data.

  Furthermore, the Fund is barred from making investments in countries and territories which are not listed under the Italian Ministerial Decree of 4 September 1996, as amended and supplemented from time to time.

- Positive selection. the Fund makes co-investments in companies that pursue the sustainable

development objectives chosen by the Fund.
In line with the asset allocation, the Fund through the AIFM and the Advisors carries out scouting, investment, monitoring and divestment of the Fund's assets by integrating ESG elements into the investment process. Ex-ante, the Fund performs an ESG due diligence activity also on the basis of the analyses carried out by specialised external professionals in order to identify any areas of risk and criticality; ex-post, relevant tables are sent at least once a year to each investee company to report on the main KPIs defined by the Fund, the AIFM and the Advisors.

What are the binding elements of the investment strategy used to select investments to attain each of the environmental or social characteristics promoted by this financial product?

The Fund's investment strategy provides for selecting companies that do not operate in controversial sectors and activities or are resident in non-compliant jurisdiction (see the previous section), have not been convicted of violations of air emission laws in relation to violations for which no remedial plan has been approved, have not been convicted of violations of anti-corruption laws, and adopt or intend to adopt at least one of the additional contractual protection instruments for workers in addition to those provided by law (e.g. company contract agreed with trade union representatives, company welfare plans and additional insurance policies for workers). Failure to comply with any of the above characteristics results in the target company being automatically excluded from the investment.

In line with the Fund's strategy of promoting the environmental/social characteristics chosen by the Fund, the positive selection of investment opportunities is made by identifying those companies that have drawn up, prior to the Fund's investment, or undertake to draw up in due time following the investment, a plan to develop and improve the environmental/social characteristics chosen by the Fund. This plan may provide, on a case-by-case basis, for the remediation of deficits identified in the ESG Due Diligence or improving performance in selected areas. Those companies that are affected by non-recoverable deficits in the environmental/social areas chosen by the Fund are excluded from investment based on Fund's sole and unquestionable judgment.

Any serious deficits found in the investment process that might affect compliance with the chosen environmental and social characteristics entail determining action plans to be agreed upon with the management and/or lead investors of the target companies to align their business models with the characteristics promoted by the financial product.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

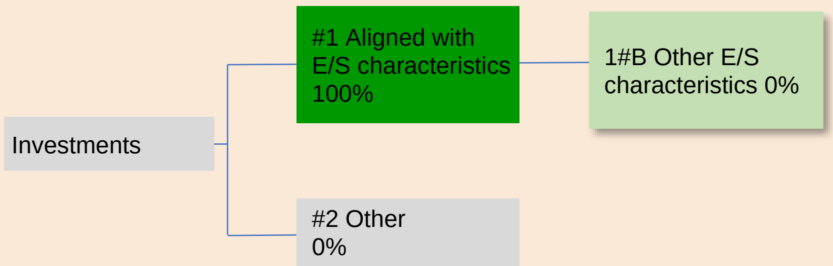
Not provided.

What is the policy to assess good governance practices of the investee companies?

The good governance practices of companies receiving investments are assessed through specific questionnaires to evaluate the soundness of management structures, staff relations and staff remuneration, and compliance with tax obligations. All said information are generally collected during the financial due diligence before the decision to invest into a certain target company and are updated at least annually by the investment and monitoring team dedicated by the Fund.

What is the planned asset allocation for this financial product?

With the exception of the portion of the Fund's assets that the Fund may hold in cash for treasury needs, which is considered marginal, all investments made by the Fund are aimed at building a portfolio that contributes to promoting the environmental and social characteristics pursued.



#1 Aligned with E/S characteristics includes the financial product investments used to comply with the environmental or social characteristics promoted by the financial product.
#2 Other includes the remaining investments of the financial product that are not aligned with environmental or social characteristics, and are not considered sustainable investments.

How does the use of derivative instruments comply with the environmental or social characteristics promoted by the financial product??

The Fund does not use derivative instruments to attain the environmental characteristics promoted by the Fund.

What is the minimum investment quota in transitional and enabling activities?

There is no minimum quota of investments in transitional and enabling activities within the meaning of the EU Taxonomy, in view of the category of products offered (financial products under Article 8 of Regulation EU 2019/2088) and the characteristics of the external context (see below).

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Is a specific index designated as a reference index to determine whether this financial product is aligned with the environmental and/or social characteristics it promotes?

No specific index has been designated as a benchmark. The Fund's periodic reports describe the extent to which social characteristics are achieved.

Where can you find more product-specific information online?

https://www.tmf-group.com/en/services/fund/tmf-fund-management-sa/

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NECRON LOGISTICS FUND 1 SCSP

The AIFM, in consultation with the Adviser, has categorized the Partnership as a financial product which promotes environmental characteristics, within the meaning of Article 8 of the EU Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "**SFDR**"), but does not have sustainable investment as its objective. The Partnership's pre-contractual disclosures, as financial product which promotes environmental characteristics, have been produced in line with applicable laws and regulations and are available at **Error! Reference source not found.** of this Offering Document.

Pursuant to Article 6 of the SFDR, the Partnership is required to disclose (a) the manner in which Sustainability Risks (as defined hereafter) are integrated into the investment decision and (b) the results of the assessment of the likely impacts of the Sustainability Risks on the returns of the Partnership.

"**Sustainability Risks**" 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 the Investments made by the Partnership. Such risks are principally linked to climate-related events resulting from climate change (i.e. a physical risks) or to the society's response to climate change (i.e. transition risks), which may result in unanticipated losses that could affect the Partnership's Investments and financial condition. Social events (e.g. inequality, inclusiveness, labour relations, investment in human capital, accident prevention, changing customer behaviour, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, products quality and safety, selling practices, etc.) may also translate into Sustainability Risks.

(a) Integration of Sustainability Risks (Article 6(1)(a) of the SFDR)

An assessment of the likely impacts of Sustainability Risks on the returns of the Partnership has been carried out, and the findings show that the impacts following the occurrence of a Sustainability Risk event may be numerous and vary in significance depending on industries, regions and asset classes. The Sustainability Risks that are particularly relevant to the Partnership include:

- The exposure to potential physical risks resulting from climate change (for example, the tail risk of significant damage due to increasing erratic and potentially catastrophic weather phenomena such as droughts, flooding and heavy precipitations, heat/cold waves, landslides or storms). As the frequency of extreme weather events increases, the Partnership's assets exposure to these events will also increase.

- The exposure to environmental risks emerging from the need to mitigate climate change. The Partnership may face public pressure calling for improvement in energy and water management, among other, in order to reduce emissions. Efforts to cope with this pressure and to meet strengthening regulatory requirements may impose higher financial input, which could impede the total performance of the Partnership. Failure for the Partnership to cope with this pressure may lead to reputational damage, which could also impede the Partnership's returns.

Such Sustainability Risks are integrated, directly or indirectly, into the investment decision-making and risk-monitoring of the Partnership to the extent they represent a potential or actual material risk and/or an opportunity to maximize the long-term risk-adjusted returns of the Partnership. Before any investment decisions are made with respect to the Partnership, the proposed asset will be subject to in-depth due diligence processes designed to identify the material risks, including Sustainability Risks, associated with such potential investment. The result of these due diligences will be taken into consideration alongside other relevant factors when making investment decisions in relation to the Partnership.

Sustainability factors include environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

(b) Assessment of Sustainability Risks' likely impact on return (Article 6(1)(b) of the SFDR)

The identification and assessment of the Sustainability Risks will take place on an investment-by-investment basis. As a result of such risk management process it is not anticipated that the Sustainability Risks will have a material negative impact on the returns of the Partnership, although there could be no guarantee that the process will identify and mitigate all material risks.

(c) Transparency of adverse sustainability impacts of investment decisions on sustainability factors (Article 7 (2) of the SFDR)

The AIFM, together with the Adviser, does not specifically consider the adverse impacts of the investment decisions on sustainability factors at the level of the Partnership, as it believes that there is not sufficient data available in satisfactory quality in order to allow the AIFM and the Adviser to adequately assess such potential impact on sustainability factors.

The position will be kept under review as the underlying rules are finalized and are embedded in the short to medium term.

Global reach
Local knowledge

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: NECRON LOGISTICS FUND 1 SCSp **Legal entity identifier:** 984500C6C151365C9014

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

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The Fund promotes environmental characteristics by investing in sustainable new built logistics real estate assets located in European Union driving energy efficiency, reducing carbon emissions and minimizing waste.

Properties with strong sustainability credentials and a commitment to responsible logistics operations will be prioritized such as properties with tenants that:

- Minimize environmental impact during construction and operation,
- Prioritize energy efficiency measures and that promote the use of renewable energy sources such as solar panels,
- Facilitate the use of multimodal transportation, and
- Manage waste processes and recycling practices.

No reference benchmark has been designated for the purpose of attaining the environmental characteristics promoted by the Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

Sustainability indicators are assessed both at the due diligence phase when acquiring properties and throughout the hold period.

Environmental characteristics	Sustainability indicators	Definition
Energy efficiency	Exposure to energy-inefficient real estate assets	PAI 18: Share of investments in energy-inefficient real estate assets
	Energy consumption intensity (PAI optional)	Energy consumption in GWh of owned real estate assets per square meter
	Smart Building Management Systems	% of logistics assets with Smart Building Management system
	Green building certifications	% of logistics assets meeting green building standards
	Renewable energy consumption	Renewable energy in energy mix (% total energy used)

Reduction of carbon emissions	GHG emissions intensity (scope 1, 2 and 3?)	GHG emissions generated by real estate assets
	17. Exposure to fossil fuels through real estate assets	PAI 17: Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels
Resource consumption	Raw materials consumption for new construction (PAI optional)	Share of raw building materials (excluding recovered, recycled and biosourced) compared to the total weight of building materials used in new construction and major renovations
Reduction of waste	Total waste (t of waste by floor area im m3 or revenue in €)	
	Waste production in operations (PAI optional)	Share of real estate assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling contract

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

Not applicable

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Not applicable

How have the indicators for adverse impacts on sustainability factors been taken into account?

Not applicable

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

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Not applicable

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Does this financial product consider principal adverse impacts on sustainability

☐ Yes

☒ No

The AIFM, together with the Adviser, does not specifically consider the adverse impacts of the investment decisions on sustainability factors at the level of the Fund, as there is not sufficient data available in satisfactory quality in order to allow the AIFM and the Adviser to adequately assess such potential impact on sustainability factors.

The position will be kept under review as the underlying rules are finalized and are embedded in the short to medium term.

What investment strategy does this financial product follow?

The Fund seeks to realise attractive risk-adjusted returns by investing in newly built logistic properties and related real estate assets in the European Union.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

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The environmental characteristics and priorities are implemented across the entire investment cycle of real estate management activities from the investment level (via ESG due diligence) to the operational level (via monitoring sustainability indicators).

Before any investment decisions, the proposed asset will be subject to in-depth due diligence process designed to identify the material risks, including Sustainability Risks, associated with such potential investment. The result of these due diligences will be taken into consideration alongside other relevant factors when making investment decisions.

Sustainability Risks are integrated, directly or indirectly, into the investment decision-making and risk-monitoring to the extent they represent a potential or actual material risk and/or an opportunity to maximize the long-term risk-adjusted returns.

A best-in class approach is also conducted during the selection of the assets based on a minimum level of green certification required such as:

- BREEAM with the rating "Excellent", except for the refrigerant store assets for which the minimum rating should reach "Very good",
- or Energy Performance Certificates (EPCs) with the rating "A",
- or any other certifications if they are comparable to the standards accepted by the local market.

The environmental performance is monitored via the sustainability indicators on an on-going basis through data collection.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The Fund shall target and prioritize:

- Properties with green building certification: the Fund will be invested and managed with the commitment that at least 100% of the selected real estate assets will have a green certification such as BREEAM,
- Property's compliance with local building codes, accessibility standards, and environmental regulations.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

Not applicable.

What is the policy to assess good governance practices of the investee companies?

The Fund is convinced that real estate assets for which governance aspects are taken into consideration is an important factor for generating long term value of investment exposure in real estate.

Since the Fund is exclusively investing in real estate assets in the European Union, governance aspects of the location (country) should generally imply that higher standards are respected.

However the Fund governance assessment for real estate assets starts in the due diligence process and continues during the acquisition phase and the ongoing management.

Good governance practices into the supply chain should include in particular, with respect to sound management structures, employee relations, remuneration of staff and tax:

- An assessment of governance at key stakeholders' level based on a Norm-based exclusions list against internationally social recognised norms, namely: the International Labour Organisation (ILO) Conventions, the Universal Declaration of Human Rights, the Rio Declaration, and the Global Compact.
- A contractual obligation of third parties (e.g. tenants, suppliers, real estate developers, etc.) to sign a "code of conduct" covering business ethics and human rights.

The Fund may make or hold Investments indirectly through any Investment Vehicles, which may be financed with equity capital, shareholder loan and/or bank debt.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational**

What is the asset allocation planned for this financial product?

The Fund plans to allocate a minimum proportion of 80% of the investments to meet the environmental characteristics promoted by the Fund (#1 in the illustration below) in accordance with the binding elements of the investment strategy as the logistic real estate Assets Under Management are expected to hava a green building certification.

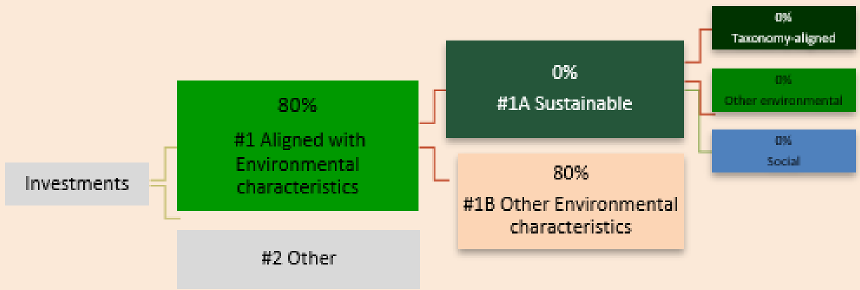
Asset allocation describes the share of investments in specific assets.

The remaining portion of the portfolio (#2 Other in the illustration below) consisting of assets, derivatives and cash as well as cash equivalent (e.g. derivatives) will not be aligned with the promoted environmental characteristics. Currently 0% of the invesments will qualify as sustainable investments (#1 A in the illustration below) within the meaning of Article 2(17) of SFDR

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

Use of derivatives is limited only for hedging purpose, such as, for instance, mitigating the risk of interest rate and currency movements. Therefore, the Fund will not utilise derivative instruments for speculative investment purposes.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund does not commit to invest in any sustainable investments within the meaning of the EU Taxonomy regulation.

However the position will be kept under review in the future, depending on the availability of reliable data over time.

Global reach
Local knowledge

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[4]?**

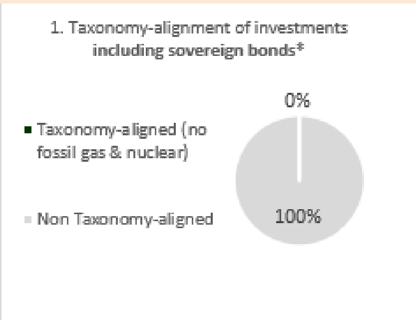
☐ Yes:

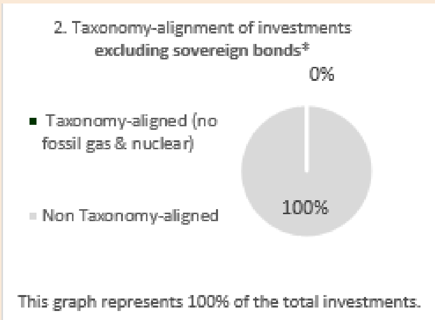
☐ In fossil gas ☐ In nuclear energy

☒ No

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentaly sustainable economic activities under the EU Taxonomy.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

What is the minimum share of investments in transitional and enabling activities?

- Not applicable

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Fund currently does not target and hold sustainable investments within the meaning of the Disclosure Regulation and/or the EU taxonomy. Accordingly there is no minimum sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

[4] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The Fund may hold sustainable investments with environmental objective that are not aligned with the EU Taxonomy in the future as the Fund invests in real estate assets, with a particular focus on newly built logistic properties and related real estate as best-in-class, exclusively located in the European Union.

What is the minimum share of socially sustainable investments?

Not applicable

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

Investments included under "#2 Other" which do not contribute to the attainment of any environmental characteristics may include:

(i) cash, cash deposits and money market instruments for short term liquidity purposes,

(ii) derivatives transactions but only use for hedging purposes.

There are no minimum environmental or social safeguards on investments included under "#2 Other".

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not applicable

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

Not applicable

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

Not applicable

How does the designated index differ from a relevant broad market index?

Not applicable

Where can the methodology used for the calculation of the designated index be found?

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://www.tmf-group.com/-/media/files/pdfs/funds/aifm-regulatory-disclosures/sfdr-information-012022.pdf?la=en

SILVER ECONOMY FUND SICAV-RAIF

1. In relation to the investment activity of the Fund, the General Partner enacts an internal policy for the promotion of a sustainable approach for investments (so called environmental, social and governance) as further described in this Section 6.7 (the "**ESG Policy**"). The General Partner has categorised this Fund as a financial product that promotes environmental or social characteristics (Article 8 of SFDR) for the purposes of the SFDR. Information referred in the SFDR, including the information related to the environmental or social characteristics of the Fund, shall be disclosed to investors along with this Issuing Document.

2. Sustainability risks, as in compliance with the ESG Policy, can arise from environmental and social impacts on a potential asset, as well as from the corporate governance of the lessee or seller of an asset. Examples include reputational damage and/or punitive measures, physical risks, and transition risks caused, for instance, by climate change. Sustainability risks may have an amplifying effect on the risks described under the previous Section 6.6(2). To the extent that sustainability risks materialize, they may have a significant impact - up to and including a total loss - on the value and/or return of the assets concerned and, accordingly, on the Fund.

3. The investments underlying this Fund do not take into account the European Union criteria for environmentally sustainable economic activities.

4. The Fund, pursuant to the ESG Policy, is not invested in the sectors listed under previous Section 6.1 (7), which are not considered suitable for investments from an ESG standpoint.

5. According to the ESG Policy, where deemed appropriate the General Partner may

(a) perform a specific ESG due diligence on potential target companies, aimed at assessing whether and to which extent said potential target companies can be considered ESG compliant, also highlighting potential improvements that may be made from an ESG perspective by such companies through the investment of the Fund. The objective of the consideration of sustainability risks by the General Partner is to avoid corresponding capital investments as early in the acquisition process or to identify as early as possible the occurrence of these risks and to take appropriate measures to minimize the impact on the affected assets or the impact on the overall portfolio of the Fund; and

(b) use key risk indicators to measure sustainability risks. Key risk indicators may be of a quantitative or qualitative nature that are based on ESG aspects and serve to measure the risk of the aspects under consideration

6. The General Partner takes into account the results of the ESG due diligence (if any) in the context of the performance of each investment transaction retaining full discretion in the decision to carry out investment transactions within the limits set out in this Issuing Document.

7. According to the ESG Policy and the ESG information and data collected during the monitoring of Portfolio Companies the General Partner carries out an ESG assessment on each Portfolio Company, eventually with the support of an external advisor with specific expertise in verifying the ESG compliance (the “ESG Advisor”), for the purpose of assessing its current level of ESG compliance and the improvements (or any lack thereof) (the “ESG Annual Report”).

8. The ESG Annual Report is made available to the Investors at the registered office of the Fund and it is presented – upon request – to the Advisory Board by the General Partner with the support of the ESG Advisor (if any). In case the Advisory Board requests so, a specific Advisory Board meeting shall be called every year for the purpose of presenting the ESG Annual Report. During the Advisory Board meeting the members of the Advisory Board may address to the General Partner and the ESG Advisor any relevant question on the ESG Annual Report.

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Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Silver Economy Fund

Legal Entity Identifier:

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective: _______%.** ☐ in economic activities that are considered environmentally sustainable according to the EU taxonomy ☐ in economic activities that are not considered environmentally sustainable according to the EU taxonomy	☐ **It promotes environmental/social (E/S) characteristics and**, while not having sustainable investment as its objective, it will have a minimum quota of _________% of sustainable investment ☐ with an environmental objective in economic activities that are considered environmentally sustainable according to the EU ☐ with an environmental objective in economic activities that are not considered environmentally sustainable according to the EU taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective: _______%.**	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social features are promoted by this financial product?

Silver Economy Fund (the "**Fund**") promotes environmental and social characteristics, preferring to invest in companies that follow good governance practices and respect human capital - detailed in section "Which investment strategy does this financial product follow?

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The environmental characters promoted by this financial product are:
- Reducing greenhouse gas emissions (GHG).

The social characteristics promoted by this financial product are:
- fighting against active and passive corruption;
- labour protection.

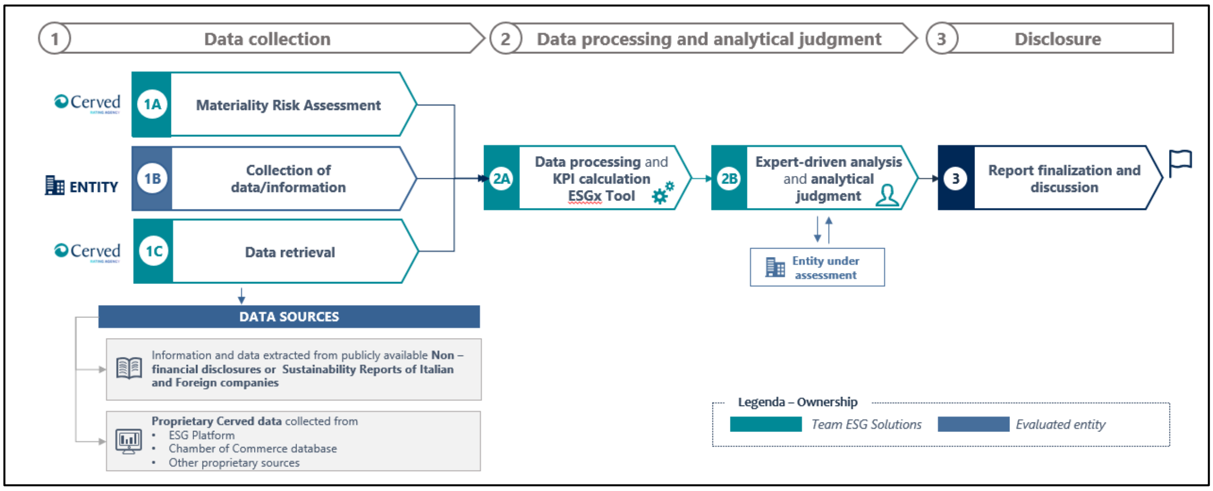
The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Please note that no specific index has been designated as a benchmark to determine whether the Fund is aligned with the environmental and social characteristics it promotes.

Which sustainability indicators are used to measure compliance with each of the environmental or social characteristics promoted by the financial product?

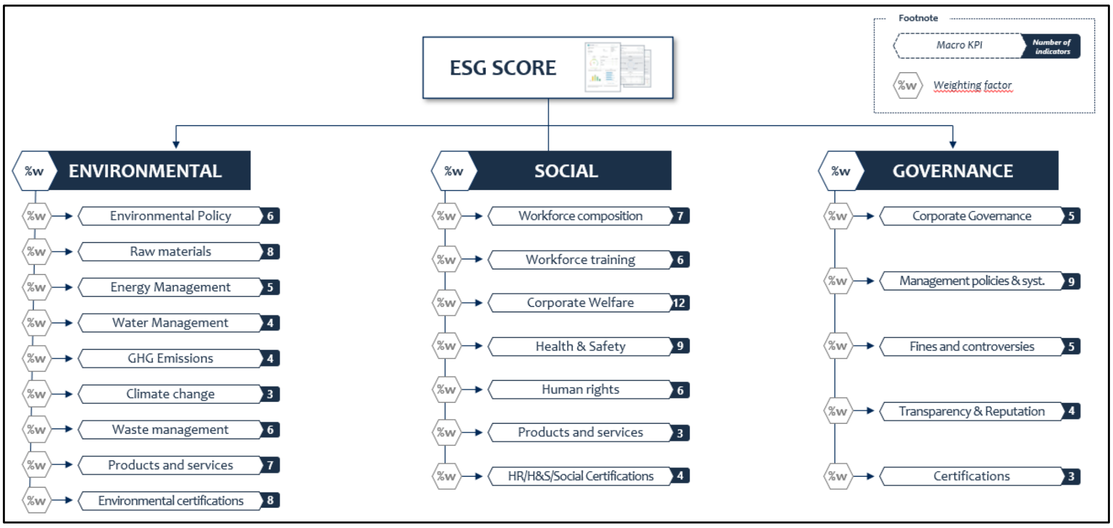
Compliance with the environmental and social characteristics promoted by this financial product is measured through an ESG Assessment throughout the investment process (due diligence, holding and exit phase) performed by external providers, which involves target companies of the Fund. The main output of the ESG assessment process consists in a synthetic judgment on company's ability to manage environmental, social and governance issues. The target company collects the necessary data and supporting documents on different topics related to the environmental, social and governance components. The information provided are subsequently elaborated to obtain an indication of the target company’s overall ESG performance. More specifically, the ESG assessment process is based on the analysis of a set of key performance indicators (for all E, S and G areas) which are examined through a comparison between target company results and overall sector performance. The Social and Governance areas will be compared with the performance obtained by the company regardless of the sector it belongs to. On the other hand, the environmental components are assessed according to a sectoral logic that guarantees an accurate parameterization of the indicators considered.

The methodological approach is described as follows:

ESG Assessment Process – Analytical Steps


1 Data collection
2 Data processing and analytical judgment
3 Disclosure
Cerved
1A Materiality Risk Assessment
ENTITY
1B Collection of data/information
Cerved
1C Data retrieval
2A Data processing and KPI calculation ESGx Tool
2B Expert-driven analysis and analytical judgment
Entity under assessment
3 Report finalization and discussion
DATA SOURCES
Information and data extracted from publicly available Non – financial disclosures or Sustainability Reports of Italian and Foreign companies
Proprietary Cerved data collected from
• ESG Platform
• Chamber of Commerce database
• Other proprietary sources
Legenda – Ownership
Team ESG Solutions
Evaluated entity

ESG Methodology Model Tree



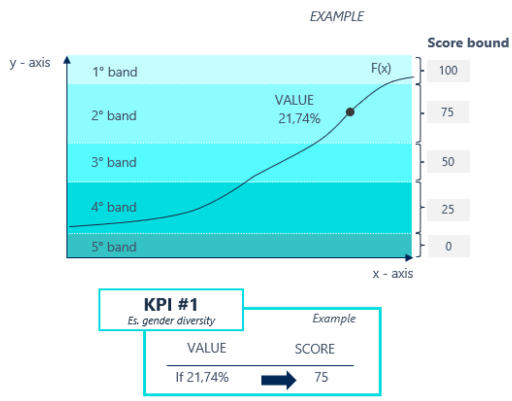
Key Performance Indicators (KPI) – Scoring system.

The calculation model involves **assigning a Score for each of the indicators** included in the Environmental, Social and Governance sections

The system defines **four thresholds** for measuring the data and **five brackets** into which the individual indicator can fall

For **quantitative data**, the scores vary by following the progression 0-25-50-75-100 depending on the bracket

Qualitative dichotomous indicators (yes or no) can obtain a score either 0 or 100



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List of Environmental Key Performance Indicators (KPI)

	KPI Description	KPI Calculation Formula
Environmental Policy	• Adoption of environmental policy • Adoption of environmental policy (applicable to employees) • Adoption of environmental policy (applicable to suppliers) • Environmental objectives measurable through KPIs • Adoption of circular business model • Biodiversity	Dichotomous indicators (yes/no)
Raw materials	• Use of dangerous materials in production process • Monitoring of paper consumption • Monitoring of plastic consumption • Presence of efficiency plans concerning the use of raw materials	Dichotomous indicators (yes/no)
	• Paper intensity • Use of FSC/PEFC certified paper • Plastic consumption intensity • Percentage of recycled or reused water on the total	• Total paper consumed (Kg) / total turnover (€M) • FSC/PEFC certified paper / total paper consumed (%) • Total plastic material consumed (Kg) / Total turnover (€M) • Recycled or reused water (mc) /total water consumed (mc)
Energy management	• Monitoring energy consumption • Presence of energy efficiency plans • Use of energy from renewable sources	Dichotomous indicators (yes/no)
	• Intensity of energy consumption • Energy from renewable sources ratio (%)	• Total energy consumed (MWh) / Turnover (€M) • Total consumed energy from renewable sources / Total energy consumption (%)
GHG Emissions	• Presence of GHG emissions monitoring system • Presence of reduction plans of GHG emissions	Dichotomous indicators (yes/no)
	• GHG emissions intensity (Scope 1+2) • GHG emissions intensity (Scope 1)	• Scope 1 emissions+ Scope 2 emissions in tCO2 / turnover (€M) • Scope 1 emissions in tCO2 / turnover (€M)
Water management	• Presence of water consumption monitoring system • Use of recycled water	Dichotomous indicators (yes/no)
	• Water intensity • Percentage of recycled/reused water	• Total water consumption (mc) / Total turnover (€M) • Total recycled water (mc) / Total water consumption (mc)
Waste management	• Presence of waste monitoring system • Presence of hazardous waste (y/n) • Adoption of policies for the management of dangerous waste (y/n) • Separate collection of waste in production sites	Dichotomous indicators (yes/no)
	• Waste generation intensity • Percentage of recycled or reused waste	• Total of waste generated (tons) / Turnover (€M) • Total of recycled or reused waste / Total of waste generated (%)
Products and services	• Presence of sustainable products or services • Suppliers screening based on environmental and social criteria • Suppliers screening binding for the final selection • LCA of products/services	Dichotomous indicators (yes/no)
	• Percentage of turnover resulting from sustainable products/services • Percentage of turnover resulting products/services related to SDGs	• Turnover from sustainable products or services/total turnover • Turnover from products or services linked to SDGs/total turnover
	• Research and Development investments	Absolute value in €M
Env. certifications	• Presence of environmental certifications (ISO 14001, ISO 9001, Ecolabel, EMAS) • Presence of certificate ISO 50001 • Adoption of a procedure regarding Environmental Impact Assessment • Presence of environmental officer/manager • Acquisition of environmental certificates for buildings	Dichotomous indicators (yes/no)
Climate change	• Production sites located in area at risk of extreme climate events • Adoption of initiatives aiming to mitigate climate risk impact • Presence of negative impacts in the last 3 years due to extreme climate events	Dichotomous indicators (yes/no)

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List of Social Key Performance Indicators (KPI)

	KPI Description	KPI Calculation Formula
Workforce composition	• Gender diversity • Permanent contracts • Under 30 employee's ratio • Average length of service	• Women employees / Men employees • Number of employees hired with permanent contracts / Total employees • Number of employees under 30 years old/ Total employees • Sum of length of service of all employees / Total employees
	• Gender ratio of permanent contracts	% female employees having a permanent contract/ % male employees having a permanent contract
	• Employee turnover	Number of employees leaving the company in the reference year/ Number of total employees in the previous year *100
	• New employee rate	Number of new employees in the reference year / number of total employees in the reference year *100
Training	• Training courses for employees • Career development plans	Dichotomous indicator (yes/no)
	• Training hours per employee	• Training total hours / Total employees
	• H&S training courses	• Total H&S training hours / Total training hours
	• Training courses related to anticorruption, anti-money laundering, Code of Ethics	• Total hours of training on Anticorruption, anti-money laundering, Code of Ethics / Total training hours
	• Digital training courses	• Total training hours in digital courses / Total training hours
Corporate welfare	• Life insurance for employees • Supplementary healthcare fund for employees • Insurance for injuries in the working place • Parental leave for employees • Supplementary pension plan for employees • Flexible benefits • Meal voucher/canteen • Smart-working • Employee discounts • Employees satisfaction survey • Philanthropic activities • Employees satisfaction survey results	Dichotomous indicators (yes/no)
Health & Safety	• Adoption of an H&S Policy • Application of the H&S Policy on the suppliers • Workforce exposure to dangerous raw materials • Hazardous raw materials management procedure • Presence of an Injury recording system	Dichotomous indicators (yes/no)
	• Fatal incidents (number of fatal incidents in the reference year) • Injury rate • Absentee rate • Occupational disease rate	• Total number of incidents • Total number of injuries in the reference year/ total number of worked hours * 200.000 • Number of absence days / Total working days *100 • Total number of occupational disease in the reference year / Total number of worked hours * 200 000
Human rights	• Discrimination episodes recorded during the reference year • Collective bargaining	• Number of incidents • Number of employees covered by collective bargaining / Total number of employees
	• Equal opportunity policy • Policy for the abolition of child labor • Policy for the abolition of forced labor • Screening of the supply chain regarding human rights application	Dichotomous indicators (yes/no)
Products and services	• Fines/sanctions regarding labelling products	• Number of events of breaching codes and law for labelling products and services
	• Fines/sanctions on the health and safety of products	• Number of events of breaching codes and law for impacts of products and services to the health and safety of consumers
HR/H&S/Social Certifications	• Certifications regarding H&S/HR/Social topics (ISO 45001, ISO 26000, SA 8000. ISO 20400)	Dichotomous indicators (yes/no)

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List of Governance Key Performance Indicators (KPI)

	KPI Description	KPI Calculation Formula
Composition governance board	• Presence of governance board • Correspondence between CEO and President of the Governance Board	Dichotomous indicators (yes/no)
	• Women in top management (%) • Independent board members (%) • Women board members (%)	• Women in top management / Total top managers • Independent board members / Total Board members • Women board members / Total Board members
Policies and management systems	• Presence of anti-money laundering policies • Presence of a whistleblowing procedure • Adoption of anticorruption policies • Presence of an internal and external control system • Corruption cases • Partnership for sustainable development initiatives • Agreements on workers/environment legal protection • Presence of a sustainability manager • Remuneration mechanism linked to sustainability objectives	Dichotomous indicators (yes/no)
Fines and controversies	• Environmental fines or sanctions • Sanctions related to social-economic matters • Legal cases regarding the privacy protection of clients • Confirmed corruption cases	Dichotomous indicators (yes/no)
Transparency and reputation	• Code of Ethics applicable to employees • Code of Ethics applicable to suppliers • Adoption of a corporate sustainability plan • Presence of sustainability objectives measurable with KPIs	Dichotomous indicators (yes/no)
Certifications	• Organization and Management Model 231/01 • ISO 37001 Certifications • Legal Rating («Rating di Legalità AGCM»)	Dichotomous indicators (yes/no)

Does this financial product take into account the main adverse impacts on sustainability factors?

☐ Yes

☒ No

The Fund does not take into account the Principle Adverse Impact Indicators on sustainability factors in accordance with Regulation 2019/2088. The rationale for this position is the limited availability of information and data necessary for proper evaluation and reporting in the manner required by the legislation.

What investment strategy does this financial product follow?

The purpose of the Fund is to increase the value of its assets in the medium to long term, through current return on invested capital and through achieving capital gains on disposal of its investments. The objective of the Fund is to carry out private equity investments in companies offering goods and services for the so called “Silver Age”, namely: from the Baby Boomers to individuals in their 70s and beyond. Specifically, the strategic focus of the Fund consists in the following areas: (i) Prevention and Wellness, (ii) Quality of Life, (iii) Aging in Place and (iv) the Healthcare Supply Chain. In particular, the Fund targets investments in companies offering products or providing services (including information technology) which respond to emerging needs/trends of the target market, including but not limited to:

(a) Health prevention, physical well-being and nutrition: “Improving longevity through early intervention”:

- Personalized nutrition & fitness
- Internet of Things (IoT) monitoring and digital health tools
- Bioinformatics

(b) Quality of Life: “Contributing to a higher quality of life in later years”:

- Lifelong learning & educational technology
- Mobility and accessibility devices
- Entertainment & leisure
- Cosmetics and nonsurgical clinics
- Pet and veterinary services

(c) Aging in Place: “contributing to better health outcomes”:

- Caregiver services and networks
- "Roll up" of specific clinical specialties and related diagnostics (e.g. eye care, dental care, dermatology, diabetes, rehabilitation and orthopaedics)
- Integrated health and home care

(d) Healthcare Supply Chain:

- Products, ingredients, components, devices and equipment for the target market
- Digitalization and software for the target market
- Logistics and distribution for the target market.

The Fund's environmental and social characteristics are promoted through implementing an investment strategy that includes:

- Negative selection. The Fund may not invest in companies that are involved (or that directly or indirectly control other companies involved) in one or more of the following sectors (i.e. 'excluded sectors'):
  f) an illegal economic activity (that is, any production, trade or other activity, which is illegal under the laws or regulations applicable to the Fund or the relevant investment, including without limitation, human cloning for reproduction purposes);
  g) the production of, and trade in, tobacco and related products
  h) the production of, and trade in, weapons and ammunition of any kind
  i) casinos and equivalent enterprises
  j) the research, development or technical applications relating to electronic data programs or solutions, which:
     - aim specifically at supporting any activity referred to under letters (a) to (d) above, internet gambling and online casinos, or pornography; or
     - are intended to enable to illegally enter into electronic data networks or download electronic data.

  Furthermore, the Fund is barred from making investments in countries and territories which are not listed under the Italian Ministerial Decree of 4 September 1996, as amended and supplemented from time to time.

- Positive selection. the Fund makes co-investments in companies that pursue the sustainable development objectives chosen by the Fund.

In line with the asset allocation, the Fund through the AIFM and the Advisors carries out scouting, investment, monitoring and divestment of the Fund's assets by integrating ESG elements into the investment process. Ex-ante, the Fund performs an ESG due diligence activity also on the basis of the analyses carried out by specialised external professionals in order to identify any areas of risk and criticality; ex-post, relevant tables are sent at least once a year to each investee company to report on the main KPIs defined by the Fund, the AIFM and the Advisors.

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What are the binding elements of the investment strategy used to select investments to attain each of the environmental or social characteristics promoted by this financial product?

The Fund's investment strategy provides for selecting companies that do not operate in controversial sectors and activities or are resident in non-compliant jurisdiction (see the previous section), have not been convicted of violations of air emission laws in relation to violations for which no remedial plan has been approved, have not been convicted of violations of anti-corruption laws, and adopt or intend to adopt at least one of the additional contractual protection instruments for workers in addition to those provided by law (e.g. company contract agreed with trade union representatives, company welfare plans and additional insurance policies for workers). Failure to comply with any of the above characteristics results in the target company being automatically excluded from the investment.

In line with the Fund's strategy of promoting the environmental/social characteristics chosen by the Fund, the positive selection of investment opportunities is made by identifying those companies that have drawn up, prior to the Fund's investment, or undertake to draw up in due time following the investment, a plan to develop and improve the environmental/social characteristics chosen by the Fund. This plan may provide, on a case-by-case basis, for the remediation of deficits identified in the ESG Due Diligence or improving performance in selected areas. Those companies that are affected by non-recoverable deficits in the environmental/social areas chosen by the Fund are excluded from investment based on Fund's sole and unquestionable judgment.

Any serious deficits found in the investment process that might affect compliance with the chosen environmental and social characteristics entail determining action plans to be agreed upon with the management and/or lead investors of the target companies to align their business models with the characteristics promoted by the financial product.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

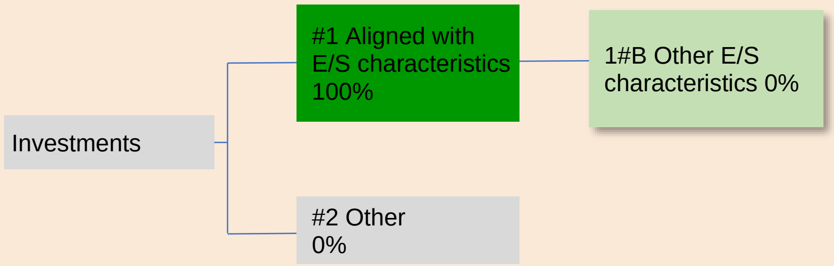
Not provided.

What is the policy to assess good governance practices of the investee companies?

The good governance practices of companies receiving investments are assessed through specific questionnaires to evaluate the soundness of management structures, staff relations and staff remuneration, and compliance with tax obligations. All said information are generally collected during the financial due diligence before the decision to invest into a certain target company and are updated at least annually by the investment and monitoring team dedicated by the Fund.

What is the planned asset allocation for this financial product?

With the exception of the portion of the Fund's assets that the Fund may hold in cash for treasury needs, which is considered marginal, all investments made by the Fund are aimed at building a portfolio that contributes to promoting the environmental and social characteristics pursued.



#1 Aligned with E/S characteristics includes the financial product investments used to comply with the environmental or social characteristics promoted by the financial product.
#2 Other includes the remaining investments of the financial product that are not aligned with environmental or social characteristics, and are not considered sustainable investments.

***How does the use of derivative instruments comply with the environmental or social characteristics promoted by the financial product?*?**

The Fund does not use derivative instruments to attain the environmental characteristics promoted by the Fund.

What is the minimum investment quota in transitional and enabling activities?

There is no minimum quota of investments in transitional and enabling activities within the meaning of the EU Taxonomy, in view of the category of products offered (financial products under Article 8 of Regulation EU 2019/2088) and the characteristics of the external context (see below).

Is a specific index designated as a reference index to determine whether this financial product is aligned with the environmental and/or social characteristics it promotes?

No specific index has been designated as a benchmark. The Fund's periodic reports describe the extent to which social characteristics are achieved.

Where can you find more product-specific information online?

https://www.tmf-group.com/en/services/fund/tmf-fund-management-sa/