

CODE 28

OBJECT Investment Sustainability Policy

APPROVAL	Board of Directors
DATE OF APPROVAL	June 30 th , 2022
DATE OF VALIDITY	From July 1 st , 2022
VERSION	02

REVISION HISTORY	DATE	APPROVAL/ VALIDATION	CHANGES INTRODUCED
1	June 30 th , 2021	Board of Directors	
2	June 30 th , 2022	Board of Directors	Annual update Implementation Bank of Italy's expectations in the communication 0583741/22 of 07/04/2022.

1. Background

The purpose of this Investment Sustainability Policy ("**Policy**") is to illustrate how Plenisher Investments SGR S.p.A. ("**Company**" or "**Plenisher**") integrates the analysis and mitigation of sustainability risks (as defined below) and the analysis and the integration of the sustainability factors (as defined below) within its own process of choice and evaluation of investments for funds established and / or managed.

Plenisher believes that governance structure, environmental impact and social factors have an economic impact for the companies, instruments, countries or asset classes in which it invests. Evidence suggesting a lack of consideration for governance, environmental or social impact may indicate wider sustainability issues and could reduce the attractiveness of the investment. Firms and other economic actors that respect these sustainability considerations are more likely to attract more capital and reduce their cost of finance over time.

The Policy has been developed following the regulatory guidance provided by:

- Regulation (EU) 2019/2088 of the European Parliament and of the Council of the EU on sustainability reporting and transparency in financial services;
- Regulation (EU) 2020/852 of the European Parliament and of the Council of the EU on establishing a framework to encourage sustainable investment and amending Regulation (EU) 2019/2088.

2. Definitions

In Article 2 ("*Definitions*"), paragraph 1 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of the EU on sustainability reporting and transparency in financial services,

- "sustainability risk" is defined as 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;
- "sustainability factors" means environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

3. Integrating sustainability assessments into the investment process

3.1 Preliminary evaluation

The Company places the understanding of ESG and sustainability risks as a key component of its proprietary fundamental and macroeconomic analytical process. This analytical process forms the basis for the Company's investment decisions. As such, the Company's approach evaluates sustainability risks as a key part of the investment decision making process.

In evaluating investment opportunities, the Company analyses financial and non-financial criteria. The non-financial evaluation includes an analysis of ESG criteria and sustainability risks, which may arise relative to specific investments in question.

The evaluation of ESG criteria and sustainability risks includes the analysts and portfolio managers' consideration of the following non-exhaustive items:

- the geographical areas in which companies and issuers operate;
- governance practices and trends related to the companies and issuers in question;

- reputation and track record of management related to environmental issues and labour relations;
- profile related to operational and reputational event management, especially relating to environmental issues and labour relations;
- trends related to ESG and sustainability risk metrics, qualitatively and quantitatively where possible.

In the end, the analysis of ESG and sustainability risks forms a key part of each investment case and to assist in this activity, the Company has engaged a third party ESG data provider. As such, the main socio-environmental considerations become an integral part of the final decision-making process.

3.2 Post-investment ESG approach

During the holding period of its investments, the Company monitors investment positions to ensure proper safeguarding of assets including assessment of underlying and changing sustainability risks.

3.3 Shareholders and engagement

The dialogue with issuers is a fundamental activity in responsible investment management. The Company believes regular interaction with the companies and issuers in which it invests is necessary and contributes to the creation of value.

The Company further believes circumstances may arise where active intervention is warranted. To manage circumstances calling for active intervention transparently, the Company has adopted a publicly available Engagement Policy.

4. Reporting

The Company is subject to the Sustainability and ESG reporting obligations established by EU Regulation 2088/2019.

In line with the requirements of Regulation 2088/2019, Plenifer makes available on its website:

- information about its policies on the integration of sustainability risks into its investment process;
- its statement regarding its due diligence policies on the main negative effects of investment decisions on sustainability factors;
- information on how its remuneration policy is consistent with the integration of sustainability risks.

Plenifer has not established or currently manages products promoting environmental or social characteristics or products having sustainable objectives as set out in Article 9 of EU Reg. 2088/2019.

5. Governance

To ensure proper implementation of the adopted policies, the Company's governance system is set out below.

Board of Directors

- defines and approves this Sustainability Policy and subsequent revisions;
- periodically verifies the correct implementation of the Policy based on the controls carried out by Risk Management;
- periodically monitors the different sustainability factor exposures of the funds managed by the Company;
- defines a reporting system on climate and environmental risks with a focus on the medium-term outlook, specifying minimum content and frequency of information;
- monitors measurable and quantifiable key performance indicators (KPI's) and key risk indicators (KRI's), which consider climate and environmental risks. In the absence of robust and consistent quantitative metrics, the reporting makes use of internal and external qualitative information in order to ensure an adequate representation of climate and environmental risks;
- monitors climate and environmental risks in a manner that is consistent with and proportional to the assessed materiality;
- ensures that the Company has sufficient training, IT and data resources, risk management and compliance tools and resources and a proper overall control framework to ensure ESG and Sustainability Risks are properly assessed and managed.

Investment Committee

- provides advisory support to the Board of Directors in defining, implementing and reviewing this Policy;
- assesses and monitors the ESG profile and sustainability risks of companies and issuers;
- oversees engagement activities and their results.

Product Committee & Distribution Committee

- evaluates and recommends a product / strategy level approach to sustainability risks associated with new products / strategies.

Risk Management

- periodically checks the adherence of the investment process to the Policy;
- provides regular reporting as required by the Board of Directors;
- maps climate and environmental risks (physical and transitional) and integrates such into the risk management system accordingly.

6. Disclosure and updating of the Policy

The CEO will ensure this Policy is communicated to all Plenisfer's personnel and will evaluate whether specific training is required for specific areas of the Company.

This Policy will be reviewed at least once a year and updated should any the national and international trends, legislation, regulation or practice in responsible investment change substantially.

Once approved, the Policy and any updates are made available on the Company's website.