

## Sustainability-related disclosures for Fonditalia Global Convertibles

This document provides you with a summary of sustainability-related information available on our website about this financial product. It is prepared in relation to Article 10 of the Sustainable Finance Disclosure Regulation (EU) 2019/2088. The information disclosed is required by law to help you understand the sustainability characteristics and/or objectives and risks of this financial product.

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<p><b>Summary</b></p>	<p>This Sub-fund promotes environmental or social characteristics. The Investment Manager identifies the sustainable investments according to SFDR on the basis of UN SDGs as described in more detail below in the section "Methodologies". No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund. The indicators used to measure the attainment of each of the environmental or social characteristic promoted by the Sub-fund are:</p> <ul style="list-style-type: none"> <li>• the binding restrictions in the investments in securities that are on the exclusion list as result of the application of the exclusion policy. The Investment Manager excludes investment in sectors which deems to be harmful from an SRI/ESG perspective or which do not follow good governance practices. The Sub-fund complies with an exclusions policy which refers to: i) the production, maintenance, sales and storage of weapons of mass destruction (WMD); and ii) the extractive activities, production and distribution of electricity connected with thermal coal, the energy source among fuels which represents the highest contributor in terms of carbon dioxide emissions; therefore, issuers deriving at least 25% of their revenues from these activities are excluded. The exclusion is extended to those issuers in breach of the Principles of the UN Global Compact which include principles relating to human rights, labour conditions, environmental issues and anti-corruption practices;</li> <li>• the ESG rating of the portfolio.</li> </ul> <p>To undertake the ESG rating analysis, sustainable characteristics of the underlying investments are defined by reference to a combination of data generated internally by the Investment Manager's proprietary models and data provided by external ESG research providers. The assessment of the good governance practices is a central pillar of the investment process adopted by the Investment Manager and it consists on the assurance that the governance of each investee company is based on rules of conduct aligned to international best practices and inspired by the consideration of all stakeholder's interests also by means of a remuneration policy. The good governance assessment takes into account sound management structures, employee relations, remuneration of staff and tax compliance.</p> <p>In order to guarantee compliance with the strategies adopted to promote environmental and social characteristics, the Investment Manager relies on external info-providers. The Investment Manager's approach includes the adoption of strategies in line with the Principles for Responsible Investing. These strategies can be integrated into different steps of the investment process and they are based on exclusion criteria (for Issuers operating in non-socially responsible sectors or exposed to ESG risk) and in the integration of ESG factors into the analysis, selection and composition of managed portfolios with flexible approaches with regards to asset class typology and product investment strategy. In accordance with the binding element of the investment strategy adopted for promoting the environmental and social characteristics, the minimum proportion of the investments that meet the ESG criteria (in terms of ESG rating coverage) should be at least 50% of the portfolio (box #1 Aligned with E/S characteristics).</p> <p>The remaining proportion (50% corresponding to the box #2 Other) of the investments (not included in the investments for promoting environmental or social characteristics) should be limited to:</p> <ul style="list-style-type: none"> <li>• cash and cash equivalent instruments which may be held as ancillary liquidity or for risk balancing purposes;</li> <li>• derivatives which may be held for risk balancing purposes and efficient portfolio management but not for promoting environmental and social characteristic;</li> <li>• securities for which relevant data is not available.</li> </ul>
<p><b>No sustainable investment objective</b></p>	<p>This Sub-fund promotes environmental or social characteristics, but does not have as its objective sustainable investments.</p>
<p><b>Environmental or social characteristics of the financial product</b></p>	<p>The main environmental and social characteristics promoted by the Sub-fund through the Investment Manager's ESG methodology are the following:</p> <ul style="list-style-type: none"> <li>• Environmental: climate change prevention (in terms for example of reduction of carbon emission, carbon footprint, climate change vulnerability), pollution &amp; waste prevention (with reference to toxic emissions &amp; waste, packaging material &amp; waste, electronic waste), environmental opportunities (in clean tech, in renewable energy);</li> <li>• Social: human capital (labor management, health &amp; safety, human capital development, supply chain labor standards), product liability (product safety &amp; quality, chemical safety, consumer financial protection, privacy &amp; data security, responsible investment, health &amp; demographic risk), social opportunities (access to communications, access to finance, access to health care, opportunities in nutrition &amp; health), stakeholder opposition (controversial sourcing, community relations).</li> </ul> <p>No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund.</p>
<p><b>Investment strategy</b></p>	<p>The Investment Manager's approach includes the adoption of strategies in line with the Principles for Responsible Investing. These strategies can be integrated into different steps of the investment process and they are based on exclusion criteria (for Issuers operating in non-socially responsible sectors or exposed to ESG risk) and in the integration of ESG factors into the analysis, selection and composition of managed portfolios with flexible approaches with regards to asset class typology and product investment strategy. There are various internal control mechanisms at Man Group. For example, Man Group has established a Responsible Investment Oversight Committee ("RIOC") which is charged with the implementation and monitoring of SFDR compliance and ESG regulation. The primary objectives of the RIOC are to approve the launch or adaptation of our ESG funds, to oversee the control framework for each fund and to monitor each fund's compliance with regulatory and mandate obligations. In addition, the environmental and social</p>

	<p>characteristics are monitored on a daily basis by the Investment Manager's portfolio risk team; data quality is monitored by the Investment Managers Data Science Data Management team. A centralised system is in place to ensure efficient tracking of data on a regular basis. As part of this system, email alerts are generated and sent out to all relevant Man teams.</p> <p>Further information on internal control mechanisms is available from the Investment Manager.</p>
<b>Proportion of investments</b>	<p>In accordance with the binding element of the investment strategy adopted for promoting the environmental and social characteristics, the minimum proportion of the investments that meet the ESG criteria (in terms of ESG rating coverage) should be at least 50% of the portfolio (box #1 Aligned with E/S characteristics).</p> <p>The remaining proportion (50% corresponding to the box #2 Other) of the investments (not included in the investments for promoting environmental or social characteristics) should be limited to:</p> <ul style="list-style-type: none"> <li>• cash and cash equivalent instruments which may be held as ancillary liquidity or for risk balancing purposes;</li> <li>• derivatives which may be held for risk balancing purposes and efficient portfolio management but not for promoting environmental and social characteristic;</li> <li>• securities for which relevant data is not available.</li> </ul>
<b>Monitoring of environmental or social characteristics</b>	<p>Environmental:</p> <ol style="list-style-type: none"> <li>1. The use of raw materials <ul style="list-style-type: none"> <li>• Responsible consumption and production (SDG 12)</li> </ul> </li> <li>2. The reduction of waste production <ul style="list-style-type: none"> <li>• Sustainable cities and communities (SDG 11)</li> <li>• Responsible consumption and production (SDG 12)</li> </ul> </li> <li>3. The circular economy <ul style="list-style-type: none"> <li>• Industry, innovation and infrastructure (SDG 9)</li> <li>• Sustainable cities and communities (SDG 11)</li> <li>• Responsible consumption and production (SDG 12)</li> </ul> </li> </ol> <p>Social:</p> <ol style="list-style-type: none"> <li>4. Tackling inequality <ul style="list-style-type: none"> <li>• Gender inequality (SDG 5)</li> <li>• Reduced inequalities (SDG 10)</li> </ul> </li> <li>5. Labour relations • Decent work and economic growth (SDG 8)</li> </ol> <p>Internal control mechanisms:</p> <p>There are various internal control mechanisms at Man Group. For example, Man Group has established a Responsible Investment Oversight Committee ("RIOCC") which is charged with the implementation and monitoring of SFDR compliance and ESG regulation. The primary objectives of the RIOCC are to approve the launch or adaptation of our ESG funds, to oversee the control framework for each fund and to monitor each fund's compliance with regulatory and mandate obligations. In addition, the environmental and social characteristics are monitored on a daily basis by the Investment Manager's portfolio risk team; data quality is monitored by the Investment Managers Data Science Data Management team. A centralised system is in place to ensure efficient tracking of data on a regular basis. As part of this system, email alerts are generated and sent out to all relevant Man teams.</p> <p>Further information on internal control mechanisms is available from the Investment Manager.</p> <p>External control mechanisms:</p> <p>Not applicable</p>
<b>Methodologies</b>	<p>As set out above, the Investment Manager applies binding elements as part of the investment strategy to select the investments to attain each of the environmental or social characteristics promoted by the Portfolio. These binding elements are (i) the application of a proprietary exclusion list; and (ii) commitment to invest in sustainable investments.</p>
<b>Data sources and processing</b>	<p>The Investment Manager uses the SDG Framework to measure the extent of an issuer's alignment to the SDGs (and, by extension, contribution to environmental or social objectives). The SDG Framework combines data from three external data providers in order to measure the extent of an issuer's alignment to the SDGs, and produces an alignment score which may show positive alignment to one or more SDGs for a given investment.</p> <p>The output of this process is a list of issuers, to be used by the Investment Manager, which have been formally identified as aligned with one or more environmental or social objectives based on the SDG Framework. Where the Portfolio invests in any of these issuers, those issuers will accordingly be treated as "contributing to" the objective of contributing to attaining the relevant SDG(s) with which the relevant investment is deemed aligned through its positive score.</p> <p>Data sources: As at the date of this disclosure, the Investment Manager uses third party data and research from external third party ESG data providers, for example Sustainalytics, MSCI and S&amp;P Trucost.</p> <p>Data quality assurance: The Man Data Science Data Management team carries out its own internal process, including regular manual and systematic data checks, through which the ongoing data quality is monitored. Following such data checks, any suspicious data flagged by the checks are investigated and escalated to the relevant data vendor and [company] as appropriate. End users, such as the portfolio management team, are informed on timely basis if there are any confirmed data issues.</p> <p>Data processing: The SDG Framework combines data from three well-known external data providers. Underlying the external data are key performance indicators which, when combined, indicate the degree to which the issuer aligns to the SDGs. Man Group operates a traffic light system in respect of 15 of the 17 SDGs, and combines data on the SDGs from the three external providers in a blended approach, providing an environmental/social alignment score on a red (not aligned) / amber (neutral) / green (aligned) scale. The output of this process is a list of issuers which have been formally identified as aligned with one or more</p>

	<p>environmental or social objectives based on the traffic light system and the SDG Framework. These issuers will be treated as "contributing to" an environmental or social objective for the purposes of SFDR, and will be treated as sustainable investments if they also meet the DNSH and good governance tests.</p> <p>The proportion of data that is estimated: The Investment Manager does not itself estimate any data for the SDG Framework, but the external data providers may use estimates at times</p>
<b>Limitations to methodologies and data</b>	<p>As described above, the SDG Framework combines data from three external data providers. There may be circumstances where data from one source does not align with equivalent data from other sources. In addition, obtaining complete and accurate data can sometimes be challenging, and there may be occasions where data is incomplete, missing or contested.</p> <p>Like most models, the SDG Framework is sensitive to the quality of input data. Different data vendors have diverged methodologies, various data sources, with different updating frequency and normalisation methods etc., which makes it difficult to find a consensus. Furthermore, ESG metrics can be subjective and backward-looking, and there are few consistent ESG reporting standards and reporting of ESG metrics is inconsistent by geography. The lack of reporting standards and broad universes also means that some data must be estimated.</p> <p>Manual and systematic checks are carried out in accordance with the Investment Manager's internal processes in order to identify missing, incomplete and/or contested data. Where data is missing or contested, the investment team is required to provide a justification for alignment which is then approved or rejected by the Investment Manager's Responsible Investment team. If such justification is rejected by the Responsible Investment team, further review is required. The proposed investment is passed to the Investment Manager's Adjudication Committee for further consideration</p>
<b>Due diligence</b>	<p>Extensive due diligence is carried out on investments both prior to investment and on an ongoing basis.</p> <p>Proposed investments are assessed using the SDG Framework, as described above. In addition, the good governance practices of investee companies are both (i) assessed by the Investment Manager prior to making an investment, and (ii) periodically monitored by the Investment Manager while the investment remains in the portfolio, in each case in accordance with the Investment Manager's good governance policy. The Investment Manager uses third party data sources to provide information at investee companies. Specifically, the Investment Manager uses Sustainalytics controversy ratings on governance matters, for both the initial assessment and the periodic monitoring. Further information is available from the Investment Manager.</p> <p>Internal control mechanisms Please see further information above.</p> <p>External control mechanisms Not applicable.</p>
<b>Engagement policies</b>	<p>With the aim of preventing, containing and managing the main adverse impacts of investment decisions on sustainability factors, the Management Company conducts engagement actions - both individual and collective with other investors - and exercises its voting rights on the issuers in its portfolio, in order to create awareness and orient the issuers' behaviors towards specific sustainability issues, according to the times and methods formalized in its "Engagement Policy" and in the "Strategy for the exercise of the attendance and voting rights attached to the financial instruments held by the UCITS under management".</p> <p>In this case, the Company informs the issuer about the identified criticalities, directing its decisions towards their immediate reduction. If these actions are not addressed in an effective and timely manner by the issuer, the Company evaluates to initiate specific reduction or disposal initiatives, even of a progressive nature, of the investment in these issuers.</p> <p>The initiatives carried out and the decisions taken regarding these activities are reported and formalized in order to guarantee a thorough traceability of the decision-making processes and outcomes</p>
<b>Designated reference benchmark</b>	<p>No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund .</p>