

## Sustainability-related disclosures for Interfund System Evolution

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 Management Company identifies the sustainable investments according to SFDR on the basis of UN SDGs as described in more detail below in the section “Methodologies”.</p> <p>No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund.</p> <p>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 Management Company restricts 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 weighted average ESG scoring of the portfolio.</li> </ul> <p>To undertake this ESG criteria analysis, the Management Company will use data provided by external ESG research providers' proprietary models (e.g., MSCI).</p> <p>The assessment of the good governance practices is a central pillar of the investment process adopted by the Management Company 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. Compliance with issuers' good governance practices is ensured through the application of ESG and SRI exclusions criteria. The absence of criticality in these areas is considered as a minimum requirement that guarantees the good governance of an issuer for inclusion in the investible universe. For details on the ESG and SRI exclusion criteria please refers to the answer to the question “What investment strategy does this financial product follow?”.</p> <p>The Management Company'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.</p> <p>In accordance with the binding elements 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 80% of the portfolio (box #1 Aligned with E/S characteristics). The remaining proportion (20% 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>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><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 Management Company'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> </ul>

	<ul style="list-style-type: none"> <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>
<b>Investment strategy</b>	<p>The Management Company'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.</p> <p>The assessment of the good governance practices is a central pillar of the investment process adopted by the Management Company 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>Compliance with issuers' good governance practices is ensured through the application of ESG and SRI exclusions criteria. The absence of criticality in these areas is considered as a minimum requirement that guarantees the good governance of an issuer for inclusion in the investible universe.</p>
<b>Proportion of investments</b>	<p>In accordance with the binding elements 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 80% of the portfolio (box #1 Aligned with E/S characteristics). The remaining proportion (20% 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>The Management Company monitors on an ongoing basis the ESG scoring of the portfolio. The ongoing control of the other negative screening criteria, such as the restrictions to the investment in issuers characterised by:</p> <ul style="list-style-type: none"> <li>• an ESG rating equal to "CCC", classified according to the proprietary rating methodology of the external provider MSCI, which contemplates a range of values going from "AAA", for the best rated issuers, to "CCC" for the riskiest issuers.</li> <li>• a severe and serious dispute equal to "Red", classified according to the proprietary methodology of the external provider MSCI, that indicates an ongoing very severe ESG controversy (a controversy having a social and/or environmental impact) involving a company directly through its actions, products or operations (e.g., loss of life, destruction of eco-system, economic shakedown affecting multiple jurisdictions).</li> </ul> <p>is guaranteed by the ex-ante limitations to the management activity of the fund managers.</p>
<b>Methodologies</b>	<p><b>SCORING ESG</b></p> <p>The Management Company is equipped with an internal engine for the calculation of the product ESG score through the processing of the basic information on the score of the underlying issuers sourced by the specialised provider MSCI.</p> <p>The score of the issuers is attributed in relation to the score of the three pillars of sustainability: environmental, social and corporate governance.</p> <p>For each pillar the provider performs a granular breakdown taking into account the basic component and the potential and actual risks associated with sustainability factors and a weighting of the weights of each component on the basis of the statistical analysis of the historical and prospectus information for the issuers and for the related sectors included in the proprietary database.</p> <p>The calculation of the ESG Score at product level represents the weighted average of the scores of each investment in the portfolio, modified with regards to the level of cover of the information.</p> <p>In applying the above mentioned methodologies, with the aim to promote environmental or social characteristics, the Management Company ensures that:</p> <ul style="list-style-type: none"> <li>• the binding elements of the investment are respected for issuers characterised by: <ul style="list-style-type: none"> <li>- an ESG rating equal to "CCC", classified according to the proprietary rating methodology of the external provider MSCI, which contemplates a range of values going from "AAA", for the best rated issuers, to "CCC" for the riskiest issuers;</li> <li>- a severe and serious dispute equal to "Red", classified according to the proprietary methodology of the external provider MSCI, that indicates an ongoing very severe controversy (a controversy having a social and/or environmental impact) implicating a company directly through its actions, products or operations (e.g. loss of life, destruction of eco-system, economic shakedown affecting multiple jurisdictions).</li> </ul> </li> </ul> <p>For this product, which has a benchmark (as set out in the Sub-fund's investment policy), the binding investment restrictions allow a maximum permissible exposure equal to the issuer's weight on the benchmark.</p>

	<p>The integration of ESG factors is promoted through the selection of issuers in terms of their sustainable performance through an ESG score and in order that the final average ESG portfolio scoring is higher than that one related to the Sub-fund's benchmark.</p> <p><b>PRINCIPAL ADVERSE IMPACTS</b></p> <p>The model defined by the Management Company contemplates the monitoring of Principal Adverse Impacts through some indicators which represent the material negative impacts on sustainability factors from investment choices.</p> <p>With reference to such negative effects, the product takes into account a series of environmental, social, of governance indicators, through the information collected by a specialised info-provider (MSCI ESG Research).</p> <p>The indicators subject to monitoring are the following:</p> <ul style="list-style-type: none"> <li>- Carbon emission (Scope 1 + 2);</li> <li>- GHG intensity (such indicator includes emissions of type Scope 1, 2, 4; such emissions are weighted against the revenues for corporate issuers and against the gross domestic product for government issuers);</li> <li>- Violations of United Nation Global Compact (UNGC) principles and Organisation for Economic Cooperation and Development (OECD) guidelines for Multinational Enterprises;</li> <li>- Exposure to controversial weapons (anti-personnel mines, cluster ammunitions, chemical and biological weapons).</li> <li>- Number of government issuers which report social violations in respect of international agreements, United Nations principles and, where applicable, national laws.</li> </ul> <p>The basic data related to such indicators are sourced by the specialised provider MSCI ESG Research and are aggregated internally at product level.</p>
<b>Data sources and processing</b>	<ul style="list-style-type: none"> <li>• the sources of data used to attain each of the environmental or social characteristics of the Sub-fund</li> </ul> <p>The process for the integration of ESG factors is based on products and services offered by MSCI ESG Research which provides for in depth researches, assessments and analysis on the approach and practices of thousands of companies worldwide in relation to environmental, social and of governance matters. Additionally, data included in the EET is used as a source.</p> <ul style="list-style-type: none"> <li>• measures adopted to guarantee the quality of the data</li> </ul> <p>The info-provider supported by artificial intelligence and by other technologies to increase the timeliness and precision of the collection and analysis of the data and to review and validate the quality of the data and the related sources. Moreover, the model for rating is often rebalanced to capture new and emerging risks more relevant for the core business's model of the company under assessment.</p> <ul style="list-style-type: none"> <li>• how is data processed</li> </ul> <p>The info-provider's data is used directly to apply the methodologies described in the section Methodologies according to the internal methodologies of the Management Company.</p> <ul style="list-style-type: none"> <li>• the proportion of non estimated data</li> </ul> <p>Where the data is not available, the value is prudentially set to 0, so that the investments with not available data are not considered as investments promoting environmental and/or social characteristics.</p>
<b>Limitations to methodologies and data</b>	<p>The potential lack of data provided by companies in which an investment is made represents a limitation of sources of data with regards to the promotion of environmental and social characteristics. In order to avoid a misrepresentation of the percentage of investments that promote environmental and social characteristics, whereby for some investments data is not available, such investments are excluded from the quotaproportion of investments promoting environmental and social characteristics.</p> <p>Also in relation to PAI, there are limitations to the methodology and the source of data. Due to the current limited availability of reliable data on a lot of PAI, the high variability of data on PAI at sectorial and geographical level as well as the their retrospective nature, no threshold or rigorous limit is set</p>
<b>Due diligence</b>	<p>The Management Company performs prior and ongoing Due Diligence on the underlying assets through data and methodologies provided by MSCI ESG Research, verifying that the investments promote environmental and social characteristics, according to the methodologies illustrated in the section Methodologies .</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>