As from 1st May 2024, the following pre-contractual disclosure shall apply to the Sub-Fund PARETURN VARIANZA CERVINO WORLD INVESTMENTS:

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: : Pareturn Varianza Cervino World Investments **Legal entity identifier: 222100RR968UK6BNMT34**

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.

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 5% 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?

The Sub-Fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR (ESG Sub-Fund). The Sub-Fund has the following E/S characteristics: it aims to target companies that have in place strategies with the purpose of improving their overall environmental footprint, respect for human rights, and exposure to global ESG enhancement. In particular, the Sub-Fund contributes to global ESG enhancement seeking to provide exposure to companies that either:

a) Already have policies that contribute to climate transition or aim to reduce their environmental impact.

b) It may also invest in companies that are ESG improvers and have the potential to generate positive social impact through a better management of ESG issues.

For both categories above E/S, outstanding corporate governance practices for the selected issuers are checked and taken into account by the Delegate Investment Manager.

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?

The Investment Manager uses the following sustainability indicators to measure the attainment of the characteristics promoted by the Sub-Fund:

- Environmental: "E" – which takes into account: climate change policy, CDP performance score, GHG reduction policy, Scope 1 Greenhouse Gas emissions intensity/sales, Scope 2 Greenhouse Gas emissions intensity /Sales;
- Social: "S" – which takes into account: health and safety policy, antibribery-ethics policy, policy against child labor, accidents per 1,000 employees, UN global compact signatory;
- Governance: "G" – in its contribution to E / S characteristics taking into account: Corporate Social Responsibility/Sustainability committee, percentage of independent directors, percentage of women on board.

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?

The objectives for sustainable investments aligned with EU Taxonomy are climate change mitigation or climate change adaptation. The Sub-Fund only accounts revenue for companies that have identified a substantial contribution to one of the two stated objectives. These companies have in place strategies that aim to reduce their carbon footprint or that contribute to climate change adaptation. In addition, the Sub-Fund performs Do Not Significant Harm (DNSH) assessment for the remaining Taxonomy Environmental Objectives. In order to ensure that the company has in place Minimum Social Sefeguards, we assess both mandatory and optional requirements. When regulation for the remaining four Taxonomy objectives is released, the Sub-Fund may include additional sustainable objectives.

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?

Varianza Score (as defined hereafter) incorporates several mandatory Principal Adverse Indicators outlined in SFDR: Scope1 GHG intensity/ Sales, Scope 2 GHG intensity / Sales, Lack of health and safety risks policy, lack of antibribery and corruption policy. In addition we monitor whether the company has in place processes and compliance mechanisms to monitor compliance with United Nations

(UN) Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. In addition to, indicators on controversies regarding: discrimination lawsuits or offences, violence / harrasment lawsuits or offenses, grievances involving indigenous peoples, health and safety lawsuits, and community grievances are also incorporated.

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

For sustainable investments, as set out above, the Investment Manager undertakes a quantitative evaluation to identify issuers with challenging performance on all the mandatory PAI indicators of Annex 1 table 1 of the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022. Issuers with a VARIANZA low score will be ineligible to be 'sustainable investments' unless Investment Manager's fundamental research determines that the issuer is not breaching "do no significant harm" requirements or is on the path to mitigate the adverse impacts through effective management or transition.

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

N/A

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 Manager has committed to apply the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 Annex 1 table 1 whereby 18 mandatory indicators will be monitored to show the impact of such sustainable investments against these indicators: GHG emissions (Scope 1 GHG emissions, Scope 2 GHG emissions, Scope 3 GHG emissions, Total GHG emissions), Carbon Footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel industry, share of non-renewable energy consumption and production, Energy consumption intensity per high impact climate sector, activities negatively affecting biodiversity-sensitive areas, emissions to water, hazardous waste and radioactive waste ratio, violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprise, 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, Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons), for sovereigns and supranationals : GHG intensity and investee countries subject to social violations, for real estate assets: exposure to fossil fuels through real estate assets and exposure to energy-efficient real estate assets.

The performance of these indicators will be published annually in a specific report under the sustainability disclosures section.

What investment strategy does this financial product follow?

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

The Sub-Fund applies ESG integration into the investment process and combines quantitative ESG analysis with qualitative ESG analysis. At the security analysis level, both the results of the quantitative and qualitative assessment are integrated in the VARIANZA Score. Quantitative data consists of external ratings from renowned ESG providers as well as other data points from Bloomberg, including the 13 KPIs we use to track the E/S characteristics promoted by the Sub-Fund. Qualitative ESG research identifies material ESG factors for the company and assesses how this factors are managed, in addition to which long-term trends (i.e. electrification of vehicles) can have a negative or positive impacts on a company's competitive position and business model. All the information is integrated in our investment checklist, a scorecard that also includes financial and valuation data, etc. The ESG assessment and sustainabilty are an integral part of the investment case of each holding.

At the portfolio level, companies that have high Varianza Score can have a higher weighting. The Sub-Fund also prioritizes companies that are exposed to long-term sustainability trends, or that are ESG improvers. An example of an ESG improver is an Oil&Gas company that is selling assets that could be stranded in the future and using the proceeds to invest in renewable power generation. Moreover, ESG is also integrated in the risk management process as the Sub-fund commits to two binding thresholds:

a) The Sub-Fund aims for 50% of the positions to have a Varianza Score equal or higher than 50 points,

b) the Sub-Fund will maintain a weighted average Varianza Score of the portfolio equal or higher to 50 points. In addition, an unforseen negative ESG event or controversy automatically triggers a review of the investment case of the company and can prompt a sale on a best effort basis.

- ***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 Sub-Fund takes Sustainability Risk and ESG characteristics into account as part of its selection process. The selection process includes criteria that allow tracking the E/S characteristics promoted by the Sub-Fund, and to allow the Delegate Investment Manager to have an overview of the ESG position of each issuer both on standalone basis and versus the comparable universe.

In particular, the investment process integrates ESG factors based on proprietary and third-party research to evaluate investment risks and opportunities, with the aim to minimize ESG risks and focus on recognizing opportunities in companies that will improve their ESG trajectory. In addition, areas like corporate governance, transparency as well as the product and service range of a target company are considered. As a result, the investment process adopts a strategy of non-exclusion. There is a strong focus on companies' sustainability risk as part of the assessment embedded in the invesment process.

The Sub-Fund investment process integrates into the investment thesis of each issuer key performance indicators (KPI), relevant to track the characteristics that the Sub-Fund promotes, other KPIs that consider the whole ESG position, as well as an internal analysis of a company's ESG position (the "Varianza Score"). The Varianza Score encompasses both quantitative and qualitative rating as follows:

a) Quantitative rating: which is based on ratings from renowned external suppliers (Bloomberg, MSCI, S&P Global and Sustainalytics), with a scale from 0 to 100 points;

b) (i) Qualitative rating with a scale from 0 to 100 points. KPIs for each pillar that lead to a score 0-100 points and make 50% of the qualitative rating:

- Environmental:"E" which takes into account: climate change policy, CDP performance score, GHG reduction policy, Scope 1 Greenhouse Gas emissions intensity/sales, Scope 2 Greenhouse Gas emissions intensity /Sales;
- Social: "S" – which takes into account: health and safety policy, antibribery-ethics policy, policy against child labor, accidents per 1,000 employees, UN global compact signatory;
- Governance: "G" – in its contribution to E / S characteristics taking into account: Corporate Social Responsibility/Sustainability committee, percentage of independent directors, percentage of women on board.

(ii) The internal analysis of, inter alia, public information and annual reports to identify possible ESG risks and improvements in material ESG factors for the company, leads to a score 0-100 points and makes 50% of the qualitative rating.

The Varianza Score ensures that relevant factors for each target company are identified both on a relative and stand-alone basis. The aggregated Varianza Score of the portfolio is the weighted average of each position's Varianza Score. This metric is considered to comply with the following criteria, which are strictly binding on the Delegate Investment Manager:

a) The Sub-Fund aims for 50% of the positions to have a Varianza Score equal or higher than 50 points – this allows the Delegate Investment Manager to incorporate some issuers that are identified as improvers (i.e. issuers that have identified actions/policies that aim to reduce negative impacts);

b) In addition, the Delegate Investment Manager will maintain a weighted average Varianza Score of the portfolio of the Sub-Fund equal or higher to 50 points.

The Delegate Investment Manager may divest from certain companies not complying with the above criteria in order to maintain compliance with the above requirements on a best effort basis.

The Sustainability Risks are assessed in the investment thesis of each target company by the Delegate Investment Manager. Thus, the Sub-Fund applies integration of material environmental, social and governance issues in investment decision making. In addition, the Sub-Fund will seek to obtain an average Varianza Score for the portfolio higher than 50 points, excluding derivatives, liquidity and positions for which it is not possible to obtain an individual score. This 50 points-level threshold implies that at an aggregate level, the Sub-Fund's investments are above average versus their comparable universe thus having low exposure to unmanaged Sustainability Risk. All the relevant factors used in the above ESG analysis are assessed and approved by the Delegate Investment Manager's investment committee.

Further information about the integration of Sustainability Risks in the investment decisions is available upon request to the Delegate Investment Manager or online at the website: https://www.varianza.com/en/sustainability-related-disclosures.

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

There is no committment to reduce the scope of the investments.

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

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

For every holding, the Delegate Investment Manager includes in its analysis the composition of the board, the number of independent members, the track record of the management team, financial integrity and capital allocation. In addition it analyzes if the incentives are aligned with shareholders' interests, assesses executive compensation and the structure of variable compensation, including if its tied to KPIs.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

The Varianza Score ensures that relevant factors for each target company are identified both on a relative and stand-alone basis. The aggregated Varianza Score of the portfolio is the weighted average of each position's Varianza Score. This metric is considered to comply with the following criteria, which are strictly binding:

a) The Sub-Fund aims for 50% of the positions to have a Varianza Score equal or higher than 50 points. For the rest of the holdings the Delegate Investment Manager could incorporate some issuers that are identified as improvers (i.e. issuers that have identified actions/policies that aim to reduce negative impacts or improve their ESG position);

b) In addition, the Sub-Fund will maintain a weighted average Varianza Score of the portfolio equal or higher to 50 points.

This 50 points-level threshold implies that at an aggregate level, the Sub-Fund's investments are above average versus their comparable universe thus having low exposure to unmanaged Sustainability Risk.

Regarding the portion of investments that #1 are Aligned with E/S characteristics, it will represent 75% of the net assets of the Sub-Fund and will comprise the following:

#1A Sustainable: a minimum of 5% of investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy;

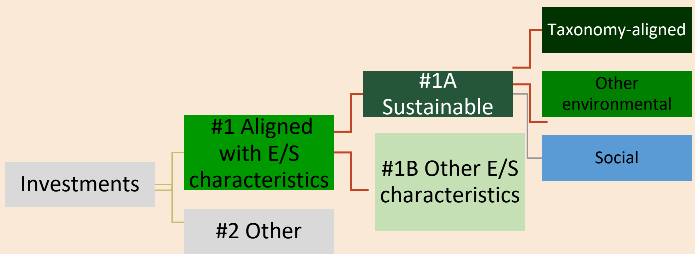
and

#1B Other E/S Characteristics: 70% investments aligned with environmental and social characteristics.

#2 Other will represent 25% of the net assets of the Sub-Fund.

ESG integration investment process described aboved, covers the whole portfolio excluding derivatives, cash, and sovereign bonds. In addition at least 50% of the holdings have a VARIANZA Score higher than 50. In addition, outstanding corporate governance practices are required for all holdings.

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.

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

  Whilst the Sub-Fund may use derivatives as part of its investment strategy, the use of derivatives is not with a view to attaining the environmental or social characteristics promoted by the product.

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.

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

The Sub-fund will make a minimum investment of 5% in sustainable investments with an environmental objective aligned with the EU Taxonomy.

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."

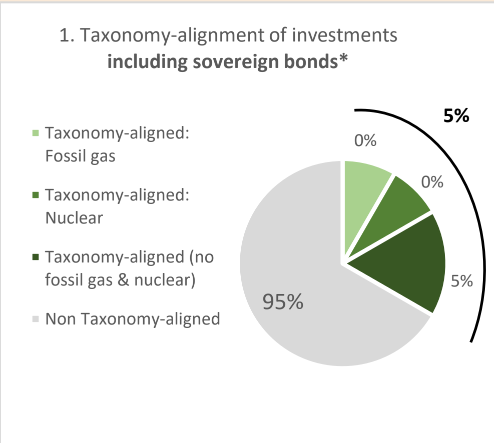
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[4]?

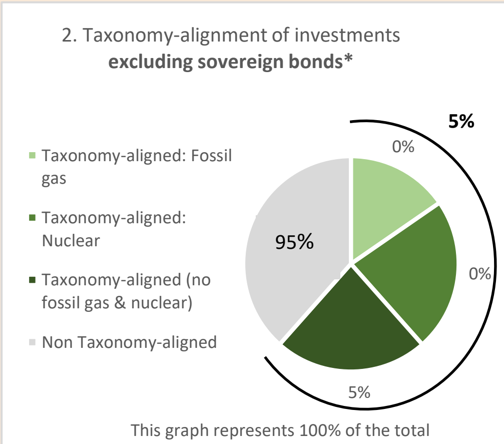
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

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.*

[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.

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

  The minimum share of investments in transitional and enabling activities aligned with the EU Taxonomy is a minimum 5%.

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

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

0%. There are no other minimum commitments for sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

0%. For the time being, the Fund promotes social characteracteristics, such as respect for Human Rights, but does not commit to a minimum share of socially sustainable investments.

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

The “Other” investments include the remaining investments of the financial product which are not used to attain the environmental or social characteristics. These investments made by this product include financial derivatives and other instruments which are used for the purposes of efficient portfolio management and cash held as ancillary liquidity. Minimum safeguards are not applied.

More information on the instruments that may be held by the Sub-Fund can be found in the Investment Policy section of the Sub-Fund Appendix.

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?

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

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

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

  N/A

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

  N/A

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

  N/A

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

  N/A

Where can I find more product specific information online?

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

https://www.varianza.com/en/sustainability-related-disclosures