Azimut Investments SFDR Disclosures - March 2021

Transparency of sustainability risks policies

Azimut Investments S.A. ("AI") integrates ESG (Environmental, Social and Governance) criteria in its investment process, on the basis of the products and services offered by MSCI ESG Research, which provides in-depth research, ratings and analysis on the approach and practices of thousands of companies around the world in relation to environmental, social and governance issues. MSCI ESG Research is part of MSCI, which is one of the leading suppliers of research-based indices and analysis. Further details are available at https://www.msci.com/esg-ratings.

Through MSCI analysis and ratings, AI is able to continuously monitor, at the individual position level and at the overall portfolio level, the exposure and the level of ESG risk of a portfolio.

Sustainability Risks are 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. Sustainability risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks. Sustainability risks may have an impact on long-term risk adjusted returns for investors. Assessment of sustainability risks is complex and may be based on environmental, social, or governance data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed. Consequent impacts to the occurrence of sustainability risk can be many and varied according to a specific risk, region or asset class.

According to the above definition, Sustainability Risks are specific events that are mostly idiosyncratic and company-related (and/or country-related). AI performs the assessment on Sustainability Risks through the analysis of ESG scores. Typically, the higher the ESG scores, the higher the standards adopted by the investee company in its business activity (or by a country in its way of governing a nation), and the lower the risk that an adverse event could occur and lead to a decrease in the value of the investment. Integrating ESG criteria in the investment process therefore reduces the Sustainability Risks.

In addition to ESG Integration, AI is committed to avoid investing in companies operating in sectors that are considered as non-sustainable and/or may involve significant environmental and social risks. The list containing all prohibited issuers constitutes the "Exclusion List", and the related exclusion criteria are provided in the ESG Policy put in place by AI.

As Sustainability Risks are defined as anything that may have a negative impact on the value of a single investment, or on the expected return of an investment portfolio, the introduction of an Exclusion List limits the investment universe from which the portfolio management team may select investments. In this sense, the Exclusion Lists may potentially preclude a

portfolio manager from investing in a security that may have superior expected returns from a purely financial standpoint.
Notwithstanding the above, in AI we consider that Sustainability Risks as not relevant on the basis of the following key assumptions:

- Prohibited investments (in scope of the "Exclusion list") represent a very limited portion of all investable assets;
- An adverse sustainability event that may occurs to any of the prohibited investments will likely have a material negative impact on the investments, therefore wiping out (all or even more) of the expected superior return;
- ESG integration significantly reduces such risks.

Transparency of adverse sustainability impacts

AI intends to consider the principal adverse impacts of investment decisions on "sustainability factors", defined as environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Since the Regulatory Technical Standards ("RTS") are nearly finalized, AI is committed to identifying and measuring principal adverse impacts on sustainability factors through the use of external market research providers which focuses in the area of sustainable investments.

Although information is not always readily available for all of the sustainability indicators at this stage, AI is already considering the principal adverse impacts of investment decisions on sustainability factors indirectly by integrating ESG (Environmental, Social and Governance) criteria into its investment process. The ESG integration process is based on the products and services offered by MSCI ESG Research, which provides in-depth research, ratings and analysis on the approach and practices of thousands of companies around the world in relation to environmental, social and governance issues. MSCI ESG Research is part of MSCI, which is one of the leading suppliers of research-based indices and analysis. Further details are available at https://www.msci.com/esg-ratings.

AI also undertakes to interact with the top management of its investee companies to better understand the risk of adverse impacts on sustainability factors, and to actively vote on the resolutions of AGMs/EGMs in order to promote good environmental, social and governance practices.

Transparency of remuneration policies in relation to the integration of sustainability risks

AI will at all times ensure that its remuneration policy is consistent with the integration of Sustainability Risks and will notably ensure that when determining the variable remuneration of the identified staff, the board of directors of AI takes into account compliance of the relevant staff member with all procedures and policies of the company, including those relating to the integration of Sustainability Risks. It shall further be noted that AI's remuneration policy seeks to: (i) align the staff's incentives with asset owners' long-term interests and the long-term success of the AI; and (ii) promote a sound and effective risk management culture to protect the value of the investment portfolio. Integration of ESG/Sustainability Risk considerations, where these are relevant and material for investment performance, are already incentivized by these existing requirements as it should be seen and used as an instrument to enhance investment performance, which would equally benefit the funds (and their investors), AI and its employees.

Transparency on the promotion of environmental or social characteristics and of sustainable investments on websites

On the webpage of each sub-fund that will be in scope of Article 8 (1) there will be the following disclosure and/or link to other webpages, as detailed hereunder:

This sub-fund promotes environmental and/or social characteristics within the meaning of Article 8(1) of the 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 ("SFDR Regulation"). The Sub-Fund strives for economic results, while at the same time taking into account environmental, social and governance characteristics. For the assessment, areas like corporate strategy, corporate governance, transparency as well as the product and service range of a company are taken into account.

For the purpose of promoting environmental and/or social characteristics, the Sub-fund will seek to maintain an overall ESG (Environmental, Social and Governance) rating of at least BBB at portfolio level, calculated based on the ESG ratings awarded to each of the securities in its portfolio by MSCI ESG Research. AI assesses the overall ESG rating of the portfolio by following MSCI ESG Research methodology.

Further details on the MSCI ESG Research ratings and methodology are available at the following link: https://www.msci.com/esg-ratings.

In addition, AI is committed to prevent investing in companies that operates in sectors that are considered as non-sustainable and/or may pose considerable environmental and social risks. The list containing all prohibited investments constitutes the "Exclusion List".

For more detailed information about how Azimut Investments S.A. integrate ESG criteria in its investment process, and about its Exclusion List, please refer to the ESG Policy available at the following link: www.azimutinvestments.com/en/policies."

On the webpage of each sub-fund that will be in scope of Article 8 (1) is already published the overall ESG rating of the Sub-Fund, updated on a monthly basis. The rating is provided via a "green leaves" shaped logos ( ).

Legend

Leaves	Score Min	Score Max	Rating
1 grey	0	1,4	CCC
1 grey	1,4	2,9	B
1 grey	2,9	4,3	BB
1 green	4,3	5,7	BBB
2 green	5,7	7,1	A
3 green	7,1	8,6	AA
4 green	8,6	10	AAA

Additionally, 1 grey leaf is assigned to funds that fail to meet the minimum 65% coverage (share of the portfolio invested in securities with an ESG rating provided by MSCI ESG Research) mandatory to receive an ESG rating according to the MSCI ESG Fund Ratings Methodology.

Sub-Fund that do not fall neither in scope of Art. 8 or Art. 9

On the webpage of each sub-fund that will be in of scope only for Article 6, the overall ESG rating will be disclosed for informative purposes only.

There will be the following disclaimer:

"The ESG rating of the fund is reported for informative purposes only."