

Fondo Italiano Agritech & Food - FIAF

Disclosure pursuant to art. 10 EU Reg. 2019/2088

Art. 10: Transparency on the promotion of environmental characteristics

1. Environmental or social characteristics promoted by the fund and how they are met

Fondo Italiano Agritech & Food - FIAF (the "Fund") qualifies as a financial product that promotes environmental characteristics, provided that the companies in which the investments are made comply with good governance practices, pursuant to article 8 of Regulation (EU) 2019/2088 (SFDR). In particular, the Fund also invests in companies in the agribusiness sector that, by applying technological innovations, enable the sustainable growth of the sector, for example by introducing alternative methods with low environmental impact, or by improving the environmental impact of agribusiness activities carried out in a traditional manner.

The Fund promotes environmental characteristics in addition to the regular integration of ESG criteria in the investment processes carried out within the scope of the Fund's operations. In particular, the Fund prioritizes investments in companies operating in the Agritech & Food segments with the greatest potential for development and which can contribute to the sustainable growth of the agribusiness sector. By way of example (and in any case not exhaustive), investments made in the following areas are permitted: (i) technological products for agriculture (excluding heavy duty); (ii) agricultural products and related industrial transformation processes; (iii) precision farming; (iv) seeds; (v) green chemistry for agriculture; (vi) irrigation; (vii) technologies for the production of bioenergy; (viii) food; (ix) e-commerce of products included in the above sectors.

2. Methodologies for assessing, measuring, and monitoring the environmental or social characteristics promoted

In order to assess, measure and monitor the environmental characteristics promoted and the good governance practices, Fondo Italiano d'Investimento employs methodologies consistent with the Responsible Investment policy adopted for the integration of sustainability risks in the investment processes.

The monitoring of portfolio investments takes place by means of a dashboard that allows the analysis of specific sustainability indicators related to ESG performance based on the information collected from portfolio companies. These indicators are defined and updated according to the peculiarities of the investment portfolio and may consist in: energy consumption, water consumption and GHG emissions. By means of these indicators, Fondo Italiano d'Investimento verifies the extent to which the environmental or social characteristics promoted are met.

In order to allow a thorough and effective monitoring, engagement activities can also be considered, with the aim of establishing a constructive dialogue with portfolio companies in order to safeguard the promotion of the aforementioned environmental characteristics.

3. Information referred to in art. 8 Reg. SFDR

During the investment selection, once the investment universe has been defined, the investment team identifies the areas to be assessed in the due diligence which, alongside with financial criteria, includes also the analysis of ESG aspects. This due diligence is useful to verify that there are no critical issues concerning environmental, social and governance aspects and that there are

requirements consistent with the environmental characteristics promoted. In this context, Fondo Italiano d'Investimento verifies that the investment targets follow good governance practices, while during the annual monitoring, specific indicators allow to verify that these practices continue to be respected by portfolio companies.

The environmental characteristics promoted by the Fund, in addition to the regular integration of ESG criteria in the investment processes, will be considered to have been met if, during the holding period and at the time of divestment, an appreciable improvement or efficiency in terms of environmental impact can be reckoned in the Fund's portfolio companies.

Since no reference index against which to verify the promotion of the environmental characteristics has been identified, reference is made to paragraph 2 for the evaluation and measurement of these characteristics.

4. Information referred to in article 11 Reg. SFDR

Fondo Italiano d'Investimento provides the AIF Investors with periodic information on the extent to which the environmental and social characteristics promoted are met within the AIF's annual reports.