GLOBAL PURPOSE RAIF FCP

PHILANTHROPY ESG FUND

SUSTAINABILITY INFORMATION APPENDIX

Information on periodic disclosure in relation to sustainability indicators and negative sustainability impacts, promotion of environmental or social characteristics and sustainable investment objectives of the following Sub-Fuds:

Philanthropy ESG Fund

The Fund promotes environmental/social characteristics in accordance with Article 8 SFDR and has a minimum percentage of investments with sustainable objectives. The Fund Manager considers environmental, social and governance (ESG) criteria when assessing investment risks and opportunities and partially invests in sustainable investments as defined by the SFDR.

Template periodic 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: Philanthropy ESG Fund
Legal entity identifier: 213800QDYJJDHIDKHO83

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ **It promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of _10_% 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 made **sustainable investments with a social objective:** ___%	☐ It promoted E/ characteristics, but **did not make any sustainable investments**

1. To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the reporting period, the Fund committed to promoting a range of environmental and social characteristics by integrating environmental, social and governance ('ESG') criteria into the investment process and by allocating its resources to issuers that contribute to environmental challenges such as energy consumption, waste, pollution, greenhouse gas emission reduction, biodiversity protection and climate change, and by investing in companies that aim to develop their human capital by referring to fundamental principles of universal relevance, such as human resource management, equal opportunities, health and safety.

The Fund is committed to promoting, through the implementation of specific screening criteria and the application of exclusion lists, investments aimed at reducing the negative impacts on society and the environment, favouring the allocation of its resources in production processes that do not generate negative effects on the climate, and excluding from its investment universe certain issuers operating in sectors or countries considered controversial, identified in the context of the Sub-fund's responsible investment policy, to which please refer to the following link for more details: https://www.ersel.it/en/ersel-group/sustainability.

No benchmark index has been designated to meet the environmental or social characteristics of the Sub-Fund.

1.1. How did the sustainability indicators perform?

The attainment of each environmental and/or social characteristic was assessed and monitored based on an approach that included the identification of appropriate sustainability indicators. In the pursuit of the environmental and social characteristics promoted by the Fund, the investment process was based on the adoption of:

- **negative exclusion criteria**, aimed at excluding from the investable universe sectors, companies and activities that conflict with the ESG values promoted by the Ersel Group and specific to the Fund: for example, issuers involved in violations of the principles of the United Nations Global Compact (UNGC) or that do not comply with international treaties such as those on controversial weapons or whose revenues come from tobacco production.

- **positive selection criteria,** aimed at excluding issuers characterised by poor ESG performance and, at the same time, promoting investments in issuers with an ESG rating above a certain threshold and which are best-in-class in their sector (for further details, please consult the Sub-Fund's Responsible Investment Policy available at the following link: https://www.ersel.it/en/ersel-group/sustainability)

Once the screening phase was passed, the ESG performance of each issuer was evaluated through appropriate ESG scoring, provided by the MSCI info-provider, which assess each issuer's ability to manage environmental, social, and governance risks and opportunities. Seven different levels are used for scoring, from the best AAA rating to the worst CCC, and issuers are then defined as:

Leaders: rating AAA, AA
Average: rating A, BBB, BB
Laggards: rating B, CCC

During the period covered by this periodic report, the portfolio's weighted average ESG score was **AA**, while the total weight of investments in issuers with poor ESG ratings (below BB) was **0%** of the investment portfolio.

Meanwhile, the exposure to issuers without an ESG rating and to funds and ETFs not classified as 'Article 8 or 9' under the SFDR compared to the Fund's total portfolio was **24.31%.**

During the period covered by this report, the Fund also paid attention to MSCI sustainable impact metrics designed to measure revenue exposure to sustainable impact solutions and support viable thematic allocations in line with the United Nations Sustainable Development Goals (SDGs), the EU Sustainable Business Taxonomy and other sustainability-related frameworks; during the period under review, approximately **13.21%** of the underlying issuers' revenues were exposed to sustainable impact solutions.

1.2 And compared to previous periods?

N/A.

1.3 What were the objectives of the sustainable investments that the financial product partially

made and how did the sustainable investment contribute to such objectives?

Philanthropy ESG Fund aims to have at least 10% of the underlying issuers' revenues exposed to sustainable impact solutions. Sustainable impact measures revenue exposure to sustainable impact solutions, reflecting the extent to which a company's revenues are exposed to products and services that help solve the world's major social and environmental challenges.

1.4 How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

EGI Responsible Investment ESG Policy excludes certain categories of sectors, countries or issuers, that operate in sectors that are considered “non ESG” or that behave in a way that contradicts ESG values. The sustainable investments of the Sub-Fund respect the “do no significant harm principle” by abiding to the following negative screening criteria:

- Exclusion from the investible universe of the Sub-Fund of all investments in companies that do not comply with international treaties such as those on controversial weapons (as for example the 2008 Convention on Cluster Munitions, or the 1997 Ottawa Treaty on anti-personnel mines) or the rules on the use of depleted uranium.
- Exclusion from the investible universe of the Sub-Fund of issuers whose revenues come from tobacco production or that earn more than:
    - 50% of their revenues from tobacco distribution,
    - 25% of their revenues from coal mining,
    - 25% of their revenues from coal-based electricity generation,
    - 25% of their revenues from extraction of hydrocarbons from tar sand or fracking,
    - 10% of their revenues from extraction of hydrocarbons in the Arctic are also excluded.
- Exclusion from the investible universe of the Sub-Fund of countries subject to international sanctions or which violate the UN Global Compact principles.
- Exclusion from the investible universe of the Sub-Fund of companies involved in either violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises, or are subject to investment restrictions by the UN, EU, USA.

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

The Fund, in its investment activity, takes into account some of the indicators for adverse impacts on sustainability, such as prioritising, in particular, the collection and monitoring of indicators relating to greenhouse gas emissions of investments (Carbon Footprint and GHG Intensity of beneficiary companies) and indicators relating to social issues for companies, (violations of UNGC principles and OECD guidelines for multinational companies, lack of adequate procedures and mechanisms to monitor compliance to the previous point and exposure to controversial weapons) and sovereign (Investee countries subject to social violations). Regarding the monitoring of the environmental indicators, the fund aims to have a trend of declining emission intensity (over a 3 -year rolling period) while for the social ones, the fund aims to have no exposure to companies/countries flagged by the selected adverse impact indicators. The average 2022 emission intensity has been equal to 753.

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

In order to assess the alignment of sustainable investments with the OECD guidelines and the UN Guiding Principles, the sub-fund uses a framework of metrics provided by the reference info-provider, namely "MSCI Sustainable Impact Metrics". The aim is to assess to which extent the products and services of issuing companies address at least one of the key social and environmental challenges, as defined by the United Nations Sustainable Development Goals (UN SDGs). For the companies, funds and ETFs in the portfolio, MSCI ESG provides the aggregate percentage calculated with the look-through of the underlying issuers, which in the period covered by this periodic report was **13.21%.**

2. How did this financial product consider principal adverse impacts on sustainability factors?

This financial product did not consider PAI indicators during the period covered by this periodic report.

3. What were the top investments of this financial product?

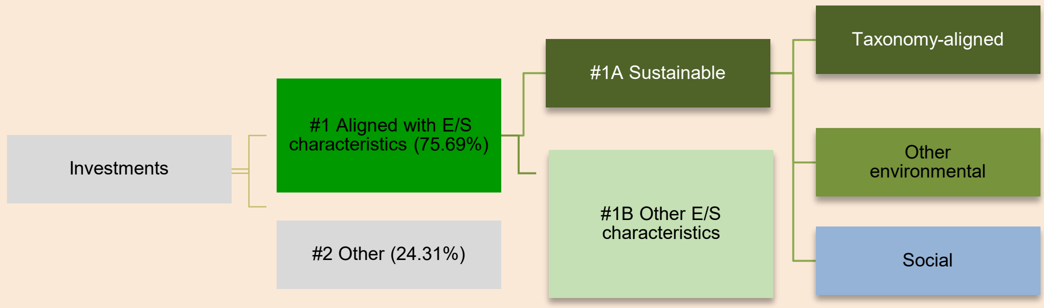
Largest Investments	Sector	% Assets	Country
ABE STD GLB PVT EUR	Diversified*	7,565%	Diversified*
FALCON MONEY-UNC AL RVS-E	Diversified *	7,014%	Diversified *
DECALIA PRIVATE CRED STRAT RAIF B-4	Diversified *	4,023%	Diversified *
Lyxor Euro Floating Rate Note UCITS ETF Acc	Diversified *	3,984%	Diversified *
Federated Hermes Asia ex-Japan Eq F EUR Acc	Diversified *	3,816%	Diversified *
UBP PRV DEBT FND III-EUR INT	Diversified *	3,494%	Diversified *
HI DISTRESSED OPP FUND II-A3	Diversified *	3,368%	Diversified *
FONDERSEL ORIZZONTE 25-ID	Diversified *	2,770%	Diversified *
LONGCHAMP DALT JP LG OU-I1UH	Diversified *	2,674%	Diversified *
CGS FMS GL EVO FRT MR-RCLEUR	Diversified *	2,221%	Diversified *
SKAGEN KON TIKI-BEURA	Diversified *	1,791%	Diversified *
WORLD BANK INTERNATIONAL FOR RECONSTRUCTION AND DEVELOPMENT 4.25% 20260122	Activities of extraterritorial organisations and bodies	1,658%	Global
TABULA HAITONG ASEXJP HY CORP USD BD ESG UE	Diversified *	1,571%	Diversified *
BANCO BILBAO VIZCAYA ARGENTARIA SA 6% 20991231	Financial service activities, except insurance and	1,549%	ESP
ENEL SPA 2.25% 20991231	Electricity, gas, steam and air conditioning supply	1,533%	ITA

* Given the structure of the funds and their diversified nature, it is not possible to provide a meaningful sectoral and geographical summary for each position.

Reference period: 31.12.2022

4. What was the proportion of sustainability-related investments?

4.1. What was the asset allocation?



#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.

#2 Other 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.

#1 The Sub-Fund will allocate capital to a diversified set of asset classes, ranging from liquidity, to fixed income, to equity and to alternative investments. The minimum percentage of investments aligned with the promoted environmental and social characteristics, that do not qualify as sustainable investments, set at 75%, averaged **75.69%** of assets during the reporting period.

#2 The category “#2 Other” refers to the remaining investments of the Sub-Fund that are neither aligned with environmental or social characteristics nor qualify as sustainable investments, mainly equities, bonds, funds and index derivatives, and accounted for an average of **24.31%** of the investment portfolio, net of cash and money market instruments.

4.2. In which economic sectors were the investments made?

The Fund has made investments in the following economic sectors:
- ACTIVITIES OF EXTRATERRITORIAL ORGANISATIONS AND BODIES
- ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES
- ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY
- FINANCIAL AND INSURANCE ACTIVITIES
- INFORMATION AND COMMUNICATION
- MANUFACTURING
- MINING AND QUARRYING
- PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY
- REAL ESTATE ACTIVITIES
- TRANSPORTATION AND STORAGE
- WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES

5 To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

N/A. The financial product did not make sustainable investments with an environmental objective aligned with the EU Taxonomy during the reporting period.

5.1. Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

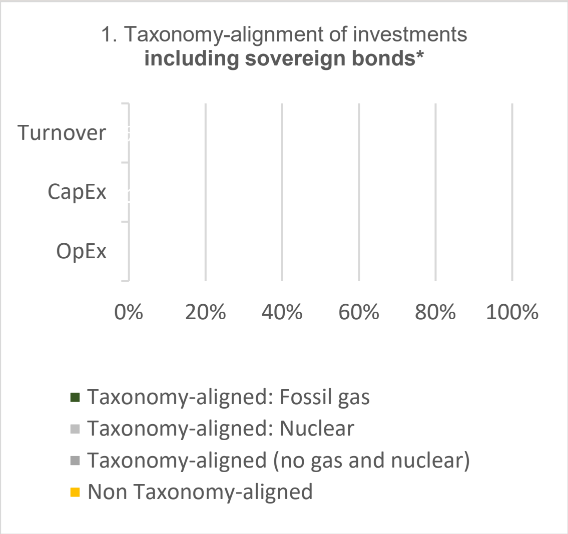
☐ Yes:

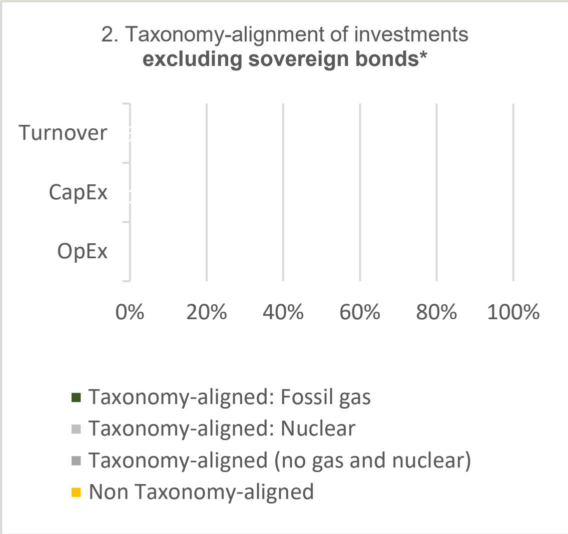
☐ In fossil gas ☐ In nuclear energy

☒ No

N/A. The financial product did not include investments in fossil gas and/or nuclear energy related assets that were compliant with the EU taxonomy.

The two graphs below show in green the percentage of investments that were 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*

[1] 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 to 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.

5.2. What was the share of investments made in transitional and enabling activities?

N/A.

5.3. How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

N/A.

6. What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Philanthropy ESG Fund aims to have at least 10% of the revenues of the underlying issuers exposed to sustainable impact solutions (as per MSCI Sustainable Impact Metrics) of which at least 6% exposed to environmental sustainable impact solutions, as this is the primary sustainable objective the fund promotes. During the period covered by this report, the Fund achieved **13.21%** in aggregate, of which **10.72%** was in sustainable investments with both environmental and social objectives.

This aggregate percentage is calculated as a weighted average, using portfolio weights and each issuer's percent of revenue generated from Environmental Sustainable Impact Solutions. For the funds and ETFs in portfolio, MSCI ESG supply the aggregate percentage calculated with the look-through of the underlying issuers. Only issuers and funds/ ETFs with the revenue data are included in the analysis. Green, Social and Sustainability Bonds are any type of bond instrument where the proceeds will be exclusively applied to finance eligible Social/Environmental Projects. For green bonds specifically, any investment in those instruments is deemed to account for 100% exposure to Environmental sustainable impact solution as the European regulation explicitly recognizes their alignment with the EU taxonomy. For social, sustainability and sustainability-linked bonds, any investment in those instruments is deemed to account for 100% exposure to environmental sustainable impact solution as long as the following conditions are satisfied: 1) the issuers have publicly disclosed their external review reports, in accordance with the recommendations of the International Capital Market Association (ICMA); and. 2) The external review shows a positive alignment of the issue with the ICMA principles and the UN Environmental Sustainable Development Goals.

7. What was the share of socially sustainable investments?

Philanthropy ESG Fund realised a percentage of investments with social investment objectives of 2.49% in aggregate. The fund's primary sustainable objective was environmental; therefore, the social category was a residual category and the fund did not explicitly set a minimum threshold.

8. What investments were included under “Other”, what was their purpose and were there any minimum environmental or social safeguards?

The category "#2 Remaining Investments" includes the remaining investments of the financial product that are neither aligned with environmental or social characteristics nor can be considered sustainable investments. During the period, this category represented 24.31% of the investment portfolio, net of cash and money market instruments.

For securities included in “#2 Other”, minimum environmental or social safeguards apply. Issuers of such securities must not be involved in violations of the UNGC principles and must not be involved in very serious litigation concerning environmental, social or governance issues or socially controversial activities. The investments in “#2 Other” allow an efficient portfolio management by reducing concentration and market risk. For Underlying Funds that are included in “#2 Other”, a negative screening is carried in order to identify compatibility with reference to the Sub-Fund's ESG Policy, including only funds that manage the sustainability risk as defined in the SFDR.

9. What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The social and environmental characteristics promoted by the Fund were respected by applying the following safeguards during the investment selection phase:

- **Exclusion lists:** EGI's ESG responsible investment policy excludes certain categories of businesses, countries or issuers that operate in sectors considered 'non-ESG' or behave in a manner contrary to ESG values. For example, issuers that derive their revenues from tobacco production and that seriously violate the United Nations Principles (UNGC) have been excluded. More details on the Responsible Investment ESG Policy can be found at the following link: https://www.ersel.it/en/ersel-group/sustainability.

- **Negative screening:** aimed at excluding issuers and financial instruments characterised by poor ESG performance according to the MSCI methodology. In this context, the following binding elements, among others, have been identified: i) Issuers classified as "laggards", according to MSCI ESG, may represent a maximum of 5% of the investment portfolio, provided they show positive momentum in terms of ESG score improvement; the aim is to incentivise and support the efforts of these companies to improve their ESG practices. (ii) the maximum aggregate exposure to financial instruments of non-ESG rated issuers and to funds and ETFs not classified as "item 8 or 9" under the SFDR may not exceed twenty-five percent (25%) of the Sub-Fund's total assets.
- **Positive screening:** aimed at favouring issuers with an ESG rating above a certain threshold or with a better rating in each sector, over other comparable issuers and sustainable financial instruments within the meaning of the SFDR, when selecting and evaluating investments. To this end, the following binding elements have been identified: i) only issuers with 'leader' and 'average' ratings according to the MSCI methodology are considered during the security selection phase and the weighted average rating of the investment portfolio cannot be lower than 'average' of the MSCI score. ii) only funds and ETFs classified as 'Article 8 and 9 funds' under the Sustainable Finance Disclosure Regulation (SFDR) pass the positive screening.
- **Identification of a minimum proportion of sustainable investments:** to ensure the achievement of the environmental and social objectives promoted by the Fund. The Fund pays attention to MSCI Sustainable Impact Metrics aimed at measuring the exposure of revenues to sustainable impact solutions and supporting viable thematic allocations in line with the United Nations Sustainable Development Goals (SDGs) and other sustainability frameworks; in this context, the Fund aims to have at least 10% of the revenues of the underlying issuers exposed to sustainable impact solutions.

- **Assessment of issuers' good governance practices,** based on specific indicators provided by the MSCI info provider such as the MSCI ESG Controversies and MSCI ESG Rating Indexes relating to the Social and Governance pillars, led to the exclusion from the investment portfolio of all issuers for which red flags were identified. The Management Company's policy on 'good governance practices' is available at the following link: https://www.ersel.it/en/ersel-group/sustainability

The analysis of the ESG profile of investments does not end with the selection and evaluation of issuers and the allocation of capital; The respect of social and environmental characteristics promoted by the Fund was ensured by the following actions:

- **Periodic monitoring**: with the support of the Risk Management Function and leveraging the data provided by the info provider, of the compliance of the investment portfolio's ESG criteria with the sustainable investment policy adopted by the Company and the Fund.

- **Engagement activities:** aimed at promoting dialogue with issuers on sustainability issues.

10. How did this financial product perform compared to the reference benchmark?

N/A. No reference index has been defined.

10.1. How does the reference benchmark differ from a broad market index?

N/A.

10.2. How did the financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A.

10.3. How did this financial product perform compared with the reference benchmark?

N/A.

10.4. How did this financial product perform compared with the broad market index?

N/A.