

PRINCIPAL ADVERSE SUSTAINABILITY IMPACTS STATEMENT

SUMMARY¹

This “Statement on the principal adverse impacts on sustainability” (the “**PAI Statement**”) has been prepared in accordance with Article 4 of 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 (the “**SFDR**”).

The PAI Statement will be updated in accordance with the provisions of the final version of the regulatory technical standards to be issued by the European Commission pursuant to the SFDR (the “**RTS**”).

Name of the manager	F2i – Fondi Italiani per le Infrastrutture Società di Gestione del Risparmio S.p.A. (“ F2i SGR ”)
PAI considerations	F2i SGR considers the Principal Adverse Impacts (“ PAI ”) of its investment decisions on sustainability factors pursuant to Article 4, paragraph 1, point (a) of the SFDR.
PAI Statement summary	
<p>With the objective of identifying and prioritising the PAIs, F2i SGR has adopted a structured approach that considers the possible principal impacts on sustainability at each phase of the investment process. The “PAI Policy” is implemented, under the supervision of the ESG Committee, by the Equity & Debt Investments Area (during the investment decision phase) and by the Strategy & Business Development Area (subsequently, for portfolio companies) - in cooperation with the other functions of F2i SGR, according to their respective remit. In accordance with the PAI Policy, an initial screening is made during the scouting phase to exclude all investments in sectors that may be considered unethical or that have an excessive negative impact on sustainability factors (e.g., companies involved in the production or trade of tobacco, arms, gambling products, pornography), while favouring direct and indirect investments in operations having a positive ESG impact (e.g., production of solar, wind and biomass energy, rail freight transport, circular economy). This scouting phase is explained in the “Preliminary Memorandum” / “Screening Memo” (as defined by F2i SGR’s Investment Procedures). PAI indicators are carefully considered throughout the analysis and due diligence phase on target assets, because they contribute to estimating the probability that prospective investments will produce significant adverse effects on sustainability. Upon completion of the analysis and due diligence phase, the results of the ESG analysis are reported in the Investment Memorandum (as defined in F2i SGR’s Investment Procedures), to form part of the decision-making process for target assets and (possibly) subsequent post-investment monitoring.</p> <p>To encourage the involvement of its portfolio companies, F2i SGR, in its capacity as an AIF manager, applies an engagement policy with respect to most relevant matters, including those related to ESG risks and effects. This engagement policy also involves monitoring its investee companies through annual questionnaires and, if necessary, through audits (random or planned), which may be carried out with the support of external consultants. The monitoring results are reported in F2i SGR’s annual Integrated ESG Report (as defined below) by Economic, Social, Environmental and Governance aspects. In addition to monitoring, F2i SGR’s engagement policy also relies on dialogue with investee companies, exercising the relevant voting rights in the shareholders’ meetings and the preparation of remedial plans</p>	

¹ This section has been prepared in accordance with Articles 4, paragraph 2, point (a), and 5 RTS.

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agreed upon that include possible escalation measures, should they not be implemented, up to the decision to dispose of the investment.

Lastly, for the reporting of its own sustainability performance and that of its portfolio companies, F2i makes use of various international standards, particularly the Global Reporting Initiative (GRI), which integrates the sustainability issues considered when drawing up the Integrated ESG Report with qualitative and quantitative indicators. F2i also adheres to the UN Principles for Responsible Investing (UN PRI), the 17 Sustainable Development Goals (SDGs), the Stewardship Code adopted by the European Fund and Asset Management Association (EFAMA), the UN Global Compact and the OSCE Guidelines. F2i SGR's due diligence and reporting activities are based on the standards promoted by the GRESB (for investments in infrastructure) and by the SASB (for equity investments).