

Statement on principal adverse impacts of investment decisions on sustainability factors

Disclosure on the implementation of the requirements of Article 4 (1) of Regulation (EU) 2019/2088 and Delegated Regulation (EU) 2022/1288 Chapter II - Section 1 on sustainability-related disclosures in the financial services sector regarding the transparency of adverse sustainability impacts at entity level

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1. Introduction

Group Affiliation

Structured Invest S.A. (hereafter "Structured Invest" or "SI" or the "Management Company"), is established under Luxembourg law and a full subsidiary of UniCredit Bank AG. SI is authorized under chapter 15 of the law of 17 December 2010 relating to undertakings for collective investment as amended ("Law of 2010") and is furthermore authorized as alternative investment fund manager pursuant to chapter 2 of the law of 12 July 2013 relating to alternative investment fund managers as amended ("AIFM Law").

The Management Company's policies respect the principles declared by the UniCredit Group (hereafter also referred to as "Group") and they are aligned with the commitments undertaken at Group level, such as the UN Global Compact, Net-Zero Banking Alliance, and UNEP FI.

Scope of the statement

The scope for the principle adverse impact (hereafter "PAI") consideration and calculation of this statement encompasses all managed (sub-)funds, i.e.:

- (sub-)funds qualifying under Sustainable Finance Disclosure Regulation (hereafter "SFDR") article 6 - *limited to consideration of sustainability risks*;
- (sub-)funds qualifying under SFDR article 8 – *promoting E/S characteristics*;

Please note: currently there are no (sub-)funds qualifying under SFDR article 9 in existence

The systematic inclusion of all sub-funds ensures a comprehensive evaluation of PAIs associated with the investments. The following content of the statement, including actions taken, description of policies, engagement activities and other relevant information, pertains to all sub-funds that are directly managed by SI and additionally to all sub-funds managed by delegated investment managers.

Commitments for funds in scope

Structured Invest is aware and fully concerned of the potential impact that sustainability risks may have on the managed sub-funds and their risk-return profiles, therefore considering them in the context of the investment decision making process as well as on an ongoing basis during the management of a fund.

% of AUM

On average the sub-funds taken into consideration for this PAI Statement represent across the four quarters of 2024:

- **92.25% of total AuM of the ManCo** *(including sub-funds qualified under article 6 and article 8 of SFDR and irrespectively of the nature of the investment manager – directly managed by Structured Invest or by a delegated investment manager)*

2. Summary

Financial Market Participant

Structured Invest S.A. (529900I8KOAEUCLBRK24)

Summary

Structured Invest S.A. (529900I8KOAEUCLBRK24) considers PAIs of its investment decisions on sustainability factors for selected products. The present statement is the consolidated statement on PAIs on sustainability factors of Structured Invest.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January 2024 to 31 December 2024.

Structured Invest has chosen to consider PAIs of investment decisions on sustainability factors for (externally) managed (sub-)funds that qualify as per article 8 of the SFDR under the condition that they pursue a dedicated PAI strategy or commit to invest in sustainable assets as per SFDR article 2(17) or as per Taxonomy Regulation article 2(1) - EU 2020/852 and indirectly for (sub-)funds under that qualify as per article 6 of the SFDR by means of mandatory consideration of sustainability risks in the course of the investment decision making process and on-going management of a (sub-)fund. In the context of the PAI consideration, Structured Invest generally looks at all mandatory PAI indicators as per Delegated Regulation - EU 2022/1288 (SFDR RTS) Annex I - Table 1. Respective sub-funds mitigate PAIs by adhering to various different strategies which can range from exclusions (*negative screening criteria*) to positive selection criteria like ESG ratings or specific ESG characteristics positively influencing certain PAI areas or - indicators.

The following content of the statement, including actions taken, description of policies, engagement activities and other relevant information, pertains to all sub-funds that are directly managed by SI and additionally to externally managed sub-funds.

Description of the principal adverse impacts on sustainability factors

The below table represents an overview of all mandatory PAI indicators as per SFDR Level II – Annex I (Table 1) and a selection of additional PAI indicators chosen to report upon. As stated in the introduction to this statement, it represents a reflection of all sub-funds under administration of Structured Invest, irrespective of their chosen investment strategy or SFDR qualification.

a) Indicators applicable to investments in investee companies

- (i) all 14 mandatory PAI indicators from the SFDR RTS Annex I - Table 1
- (ii) 2 additional PAI indicators from the SFDR RTS Annex I – Table 2 & 3 respectively

b) Indicators applicable to investments in sovereigns and supranationals

- (i) all 2 mandatory PAI indicators from the SFDR RTS Annex I – Table 1
- (ii) 2 additional PAI indicators from the SFDR RTS Annex I – Table 2 & 3 respectively

Furthermore, the table overview below also provides an explanation to the different PAIs as well as insight into what actions were taken respectively are planned to be taken and any specific targets which are set for the following period regarding specific PAIs or an overall adverse impact area.

3. Quantitative information

3.1 Mandatory indicators

Please note: Any actions taken, planned and targets set are pertaining to (sub-)funds which are actively pursuing a PAI consideration, i.e. any (sub-)funds that qualify as per article 8 of the SFDR under the condition that they pursue a dedicated PAI strategy or commit to invest in sustainable assets as per SFDR article 2(17) or as per Taxonomy Regulation article 2(1).

Indicators applicable to investments in investee companies					
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Adverse sustainability indicator		Metric	Impact 2024	Explanation	Actions taken, and actions planned, and targets set for the next reference period
Greenhouse gas (GHG) emissions	1. GHG emissions	Scope 1 GHG emissions	146,441.65	Expressed as: Tonnes of CO2 equivalent (<i>tCO2e</i>) Coverage: 96.25% of the AUM	SI acknowledges its role as a third-party management company, which limits its direct influence over the portfolio management decisions of third-party investment managers. Despite this, SI is committed to promoting sustainable practices and addressing the PAIs related to reducing GHG emissions generally and the share of non-renewable energy consumption and production in particular. <u>Actions taken:</u> SI has implemented a systematic approach to collect and monitor data on emissions, non-renewable energy consumption and production through the data provider ISS. This data collection process is integrated into the quarterly assessment by which each mandatory and chosen additional PAI indicator is collected and thereby assessed based on coverage and numerically provided value, as well as the interpretation of the indicator itself, to ensure that SI can provide informed guidance and oversight to third-party managers. SI has also established exclusion criteria for investments in companies with significant negative impacts on sustainability factors, including high non-renewable energy consumption and production. The main source for guidance on exclusions and sustainability considerations are integrated into the ESG Product guidelines issued by UniCredit Group, applicable to all legal entities within their Group structure.
		Scope 2 GHG emissions	45,843.17	Expressed as: Tonnes of CO2 equivalent (<i>tCO2e</i>) Coverage: 96.25% of the AUM	
		Scope 3 GHG emissions	2,696,369.07	Expressed as: Tonnes of CO2 equivalent (<i>tCO2e</i>) Coverage: 96.25% of the AUM	
		Total GHG emissions	2,888,653.90	Expressed as: Tonnes of CO2 equivalent (<i>tCO2e</i>) Coverage: 96.25% of the AUM	
	2. Carbon footprint	Carbon footprint	338.96	Expressed as: GHG emissions per million euros invested (<i>tCO2e/current value</i>) Coverage: 96.25% of the AUM	<u>Actions planned:</u> SI plans to enhance the quality and scope of data on GHG emissions, non-renewable energy consumption and production, expanding coverage to include a broader range of asset classes and geographical regions. SI will continue to refine its investment criteria to prioritize companies that demonstrate a commitment to reducing their reliance on non-renewable energy sources. Additionally, SI will engage with third-party investment managers to encourage the adoption of renewable energy practices and collaborate with industry groups to
	3. GHG intensity of investee companies	GHG intensity of investee companies	3,643.85	Expressed as: GHG emissions as a ratio of GHG emissions per million revenue (<i>tCO2e/€M</i>) Coverage: 94.61% of the AUM	

	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	11.79%	Expressed as: Share of investments Coverage: 95.21% of the AUM	<p>promote best practices in energy management. These ambitions are reflected in the UniCredit Group Net Zero strategy which aims to achieve carbon neutrality by 2050. In order to align with this goal, an inaugural transition plan has been created, consisting of the following points:</p> <ol style="list-style-type: none"> 1. “Strengthening of advisory services for corporates in high emitting sectors; 2. Significantly boosting our sustainable lending (green loans and sustainability linked loans) to support our clients in their journey to decarbonise their operations and diversify away from carbon intensive sectors; 3. Support to clients in the development and scaling up of innovative climate solutions; 4. Targeted partnerships with companies specialised in sustainability for specific sectors.” <p>Please note: the above points are defined at Group level, not at the level of SI</p> <p>These actions reflect SI's commitment to integrating sustainability considerations into its investment processes, ensuring transparency, and adhering to regulatory requirements. These actions and targets are expected to significantly contribute to mitigating the principal adverse impacts of investment decisions on sustainability factors.</p>
	5. Share non-renewable energy consumption and production	a) Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources	35.91%	Expressed as: Share of non-renewable energy consumption Coverage: 67.70% of the AUM	
		b) Share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources	2.01%	Expressed as: Share of non-renewable energy production Coverage: 91.06% of the AUM	
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	77.43	Expressed as: Average energy consumption in GWh per million EUR of revenue of investee companies (GWh/€M)* Coverage: 80.26% of the AUM *It should be noted that the division of the PAI into individual NACE categories cannot be done due to the non-availability/non segregation of the data through the 3 rd party data provider. Hence, the value represents all NACE categories combined.	
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas	0.62%	Expressed as: Share of investments Coverage: 92.07% of the AUM	<p><u>Actions taken:</u> SI has implemented a systematic approach to collect and monitor data on these indicators through the data provider ISS. This data collection is integrated into the quarterly assessment process, enabling SI to provide informed guidance and oversight to third-party managers. SI has also established exclusion criteria for investments in companies with significant negative impacts on biodiversity, water emissions, and hazardous waste management.</p> <p><u>Actions planned:</u> SI will continue to refine its investment criteria to prioritize companies that demonstrate a commitment to minimizing their impact on biodiversity, reducing emissions to water, and managing</p>

Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested (value expressed as a weighted average)	0.00312	Expressed as: Tonnes at entity level per million EUR invested Coverage*: 66.69% of the AUM *The coverage for PAI 8 is 66.69 % for which an assessment has taken place but does not necessarily contain a numerical value. The numerical amount of 0.00312 only represents 3.95% of AuM, because for all other Issuers that are covered, the assessment consists of "Not Meaningful", meaning no numerical data can be included in the value provided, hence, the "real" value lies above the indicated value.	hazardous and radioactive waste responsibly. These stringent requirements stem from UniCredit Group's exclusion policy which sets the standard for baseline exclusions, as well as stricter exclusion criteria which can be used for products wanting to adhere to stricter standards. These are applicable to all products under management.
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested (value expressed as a weighted average)	0.55	Expressed as: Average tonnes at entity level per million EUR invested Coverage: 42.43% of the AUM	
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	2.57%	Expressed as: Share of investments Coverage: 93.97% of the AUM	Structured Invest is committed to addressing PAIs related to social considerations, despite its role as a third-party management company with limited direct influence over portfolio management decisions. The focus areas include violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises, lack of compliance mechanisms, unadjusted gender pay gap, board gender diversity, and exposure to controversial weapons. <u>Actions taken:</u> SI has implemented a systematic approach to collect and monitor data on employee matters, respect for human rights, anti-corruption and anti-bribery matters through the data provider ISS. This data collection process is integrated into the quarterly assessment by which each mandatory and chosen additional PAI indicator is collected and thereby assessed based on coverage and numerically provided value, as well as the interpretation of the indicator itself. To ensure that SI can provide informed guidance and oversight to third-party managers. SI has also established exclusion criteria for investments in companies with significant negative impacts on sustainability factors, violations of UN global compact principles and controversial weapon exposure. These criteria are applicable to all products, internally and externally managed as defined in UniCredit's Group policy on ESG products. <u>Actions planned:</u> SI plans to enhance the quality and scope of data on employee matters, respect for human rights, anti-corruption and anti-bribery matters. SI will continue to refine its investment criteria to prioritize companies that demonstrate a commitment to social topics, such as human rights affairs. This is reflected in the UniCredit Group commitments to human rights which was approved in 2024. The Human
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	12.07%	Expressed as: Share of investments Coverage: 89.18% of the AUM	

					<p>Rights Commitment aims to define a reliable and inclusive approach that allows UniCredit to identify and manage human rights impacts and reduce potential human rights violations. UniCredit's Human Rights Commitment is inspired by the generally accepted international declarations and conventions, standards, principles, guidelines and recommendations, including but not limited to the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the OECD Guidelines for Multinational Enterprises, the UN Global Compact principles, and the UN Principles for Responsible Investment.</p>
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	2.74%	<p>Expressed as: Average pay gap in %</p> <p>Coverage: 20.66% of the AUM</p>	<p>SI considers elements surrounding gender topics in their PAI Statement, reporting on gender pay gaps, as well as the ratio of female board members in issuer firms.</p> <p><u>Actions taken:</u> SI has implemented a systematic approach to collect and monitor data on gender pay gap and female board representation through the data provider ISS. This data collection process is integrated into the quarterly assessment by which each mandatory and chosen additional PAI indicator is collected and thereby assessed based on coverage and numerically provided value, as well as the interpretation of the indicator itself to ensure that SI can provide informed guidance and oversight to third-party managers. Internal specific processes have been defined to verify the application of the exclusion criteria, e.g. distribution within the Group of blacklists of financial assets; or ex post checks about possible breaches and an escalation process to define the best remediation strategies in case of breach detection.</p> <p>These criteria are applicable to all products, internally and externally managed as defined in UniCredit's Group policy on ESG products.</p> <p><u>Actions planned:</u> SI plans to enhance the quality and scope of data on gender pay gap and female board representation. SI will continue to</p>

	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	36.22%	Expressed as: Share of women on boards Coverage: 79.44% of the AUM	refine its investment criteria and strive for a higher coverage of Assets under Management in order to increase the representativeness of the numerical value of the indicator, however, at the same time there is a great dependency on the external data provider delivering respective information on the described matters.
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					<p>SI considers elements surrounding topics on controversial weapons in their PAI Statement, reporting on the share of companies involved in the selling or manufacture of controversial weapons.</p> <p><u>Actions taken:</u> SI has implemented a systematic approach to collect and monitor data on manufacture and selling of controversial weapons through the data provider ISS. This data collection process is integrated into the quarterly assessment by which each mandatory and chosen additional PAI indicator is collected and thereby assessed based on coverage and numerically provided value, as well as the interpretation of the indicator itself to ensure that SI can provide informed guidance and oversight to third-party managers. The exclusion criteria on controversial weapons are a pillar exclusion of UniCredit's policy on ESG products, as well as an important factor on SI level itself. Internal specific processes have been defined to verify the application of the exclusion criteria, e.g. distribution within the Group of blacklists of financial assets or ex post checks about possible breaches and an escalation process to define the best remediation strategies in case of breach detection. These criteria are applicable to all products, internally and externally managed as defined in UniCredit's Group policy on ESG products.</p> <p><u>Actions planned:</u> SI plans to continuously monitor the development of this indicator by trying to keep a good coverage in order to assure the representativeness of the largest percentage of Assets under Management possible. Conclusively, in order to respect the exclusion criteria, the numerical share of issuers involved in the manufacture or selling of controversial weapons shall stay, respectively decrease even more.</p>
	14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.32%	<p>Expressed as: Share of investments</p> <p>Coverage: 91.88% of the AUM</p>	

Indicators applicable to investments in sovereigns and supnationals					
Adverse sustainability indicator		Metric	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
Environmental	15. GHG intensity	GHG intensity of investee countries	307,282.23	Expressed as: GHG emissions (tC02e) as a total of invested capital in relation to investee country's GDP Coverage: 93.86% of the Sovereign and Supranational Assets under Management	<p>SI constantly seeks to enhance its investment strategy by exploring new opportunities to reduce and mitigate adverse impacts on the environment, especially in the area of greenhouse gas emissions.</p> <p>In combination with the PAIs detailing the GHG emissions and carbon footprint on an issuer level, the indicator on GHG intensity on country level is an adequate complementary indicator, reinforcing the importance of the environmental aspects of sustainable investing.</p> <p>For sovereigns and supranational issuers, the social indicator on countries subject to social violations is an important marker in order to understand the impact governments can have on their investment capabilities.</p> <p><u>Actions taken:</u> SI has implemented a systematic approach to collect and monitor data on the GHG intensity of investee countries through the data provider ISS. This also counts for the indicator on social violations by investee countries. This data collection process is integrated into the quarterly assessment by which each mandatory and chosen additional PAI indicator is collected and thereby assessed based on coverage and numerically provided value, as well as the interpretation of the indicator itself to ensure that SI can provide informed guidance and oversight to third-party managers.</p> <p><u>Actions planned:</u> SI plans to continuously monitor the development of these indicators by trying to keep a good coverage in order to assure the representativeness of the largest percentage of sovereign and supranational Assets under Management possible. The high coverage of</p>

Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	31.75 / 34.17%	Expressed as: Number of investee countries / relative number Coverage: 99.92% of the Sovereign and Supranational Assets under Management	these indicators allows for an anticipatory view on the development of these indicators which can be used for future exclusion criteria.
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3.2 Additional indicators

Additional indicators applicable to investments in investee companies					
CLIMATE AND OTHER INDICATORS RELATED TO THE ENVIRONMENT					
Adverse sustainability indicator		Metric	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	46.96%	Expressed as: Share of investments Coverage: 96.37% of the AUM	<p>SI has chosen to integrate PAI indicator 4 as part of the additional indicators in alignment with UniCredit Group's Net Zero target and strategy. The share for the current period is representative of the commitments taken by SI.</p> <p><u>Actions taken:</u> SI has implemented a systematic approach to collect and monitor data on carbon emissions reduction initiatives which are aimed at aligning with the Paris Agreement through the data provider ISS. In particular, SI has chosen to track the investments that do not have any carbon emission reduction initiatives aimed at aligning with the Paris Agreement. This data collection process is integrated into the quarterly assessment by which each mandatory and chosen additional PAI indicator is collected and thereby assessed based on coverage and numerically provided value, as well as the interpretation of the indicator itself. To ensure that SI can provide informed guidance and oversight to third-party managers.</p> <p><u>Actions planned:</u> SI plans to continuously monitor the development of this indicator by trying to keep a good coverage in order to assure the representativeness of the largest percentage of investments possible. The high coverage of the indicator allows for an anticipatory view on the development of the indicator which can be used for future exclusion criteria.</p>

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
9. Human Rights	Lack of human rights policy	Share of investments in entities without a human rights policy	31.95%	Expressed as: Share of investments Coverage: 86.91% of the AUM	<p>SI has chosen to integrate PAI indicator 9 as part of the additional indicators in alignment with Human Rights policy. The share for the current period is representative of the commitments taken over the past periods and SI is strongly committed to working towards a further reduction of the number of investee entities without a human rights policy.</p> <p><u>Actions taken:</u> SI has implemented a systematic approach to collect and monitor data on existence of human rights policies in investee companies through the data provider ISS. This data collection process is integrated into the quarterly assessment by which each mandatory and chosen additional PAI indicator is collected and thereby assessed based on coverage and numerically provided value, as well as the interpretation of the indicator itself. To ensure that SI can provide informed guidance and oversight to third-party managers.</p> <p><u>Actions planned:</u> SI plans to continuously monitor the development of the indicator by trying to keep a good coverage in order to assure the representativeness of the largest percentage of investments possible. The high coverage of the indicator allows for an anticipatory view on the development of the indicator which can be used for future exclusion criteria.</p>

Additional indicators applicable to investments in sovereigns and supranationals					
CLIMATE AND OTHER INDICATORS RELATED TO THE ENVIRONMENT					
Adverse sustainability indicator		Metric	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
Green securities	17. Share of bonds not issued under Union legislation on environmentally sustainable bonds	Share of bonds not issued under Union legislation on environmentally sustainable bonds	/	Expressed as: Share of bonds Coverage: 0% of the Sovereign and Supranational Assets under Management	This PAI, which contains the optional indicator related to the share of bonds not certified as green, requires information on both the total amount of active bonds and the amount specifically certified under the EU Green Bond Standard. Unfortunately, the missing certification framework renders a systematic and effective consideration of the PAI indicator impossible.
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
Human Rights	20. Average human rights performance	Measure of the average human right performance of investee countries using a quantitative indicator explained in the "explanation" column	2.93	Expressed as: Average grade (from 1 to 4 or D- to A+) of the issuer country in respect to individual civil and political rights (human rights performance) Coverage: 93.87% of the Sovereign and Supranational Assets under Management	<p>SI has chosen to integrate PAI indicator 20 as part of the additional indicators in alignment with Human Rights policy. This indicator contributes to the overall representation of the most recent status of the path towards SI's targets. The human right performance of investee countries for the current period is representative of the commitments taken over the past periods and SI is strongly committed to working towards an even better figure for the coming periods. The value represents the average grade attributed to the issuing country based on ISS's proprietary data.</p> <p><u>Actions taken:</u> SI has implemented a systematic approach to collect and monitor data on respect for human rights through the data provider ISS. This data collection process is integrated into the quarterly assessment by which each mandatory and chosen additional PAI indicator is collected and thereby assessed based on coverage and numerically provided value, as well as the interpretation of the indicator itself, to ensure that SI can provide informed guidance and oversight to third-party managers.</p> <p><u>Actions planned:</u> SI plans to continuously monitor the development of the indicator by trying to keep a good coverage in order to assure the representativeness of the largest percentage of investments possible. The high coverage of the indicator allows for an anticipatory view on the development of the indicator which can be used for future exclusion criteria.</p>

4. Qualitative information

4.1 Description of policies

Description of policies to identify and prioritise principal adverse impacts on sustainability factors

Sustainability factors cover a broad range of aspects, including environmental issues, social implications, employee well-being, human rights safeguards, and efforts to prevent corruption and bribery. In financial markets, PAI refers to the negative effects that may arise from investment decisions or advice on these sustainability factors. To aid financial market participants in evaluating their investments, the Delegated Regulation (EU 2022/1288) of the SFDR outlines specific indicators – see *section 3*. These indicators help measure the adverse effects that an issuer or investee company might have on sustainability factors, providing a structured way to assess such impacts.

Moreover, the SFDR links the obligation to account for sustainability risks during the investment process (as per SFDR Article 3) with the responsibility to consider PAIs related to investment decisions (as per SFDR Article 4). Both of these concepts begin with identifying and evaluating relevant sustainability indicators. These indicators, in turn, vary depending on the investment strategy, geographic region, and sector focus of the managed funds. By tracking these indicators, investors can gain a clearer understanding of potential sustainability risks. Additionally, prioritizing the assessment of specific sustainability indicators within the investment process can help reduce or mitigate those risks.

The process of identifying and prioritizing PAIs in investment decisions requires the consideration of multiple factors, based on the context and nature of the investment:

	Elements (non-exhaustive)	Relevant considerations (non-exhaustive)
Identification & prioritisation of principal adverse impacts	Regulatory minimum requirements	SFDR (EU) 2019/2088
		EU Taxonomy Regulation (EU) 2020/852
	Investment strategy	Asset classes focus
		Geographical focus
		Sustainability focus
	SFDR classification	Qualification of the investment fund under article 8 of the SFDR and allocation of part of the portfolio in sustainable investments as defined in article 2 (17) SFDR or pursuing a dedicated PAI strategy
	Sustainability strategy (taking into consideration the investment strategy and SFDR classification)	Setting baseline exclusions and additional stricter exclusion criteria
		Definition of relevant limits for the relevant sustainability indicators
		Quantitative or qualitative assessment of the relevant sustainability indicators
Disclosure	Integration in the pre-contractual and website disclosures (art. 6, 8, 9, 10 SFDR)	

In relation to above requirements, Structured Invest has chosen to consider PAIs of investment decisions on sustainability factors for all managed (sub-)funds qualifying under SFDR article 8, promoting E/S characteristics under the condition that they pursue a dedicated PAI strategy or commit to invest in sustainable assets as per SFDR article 2(17) or as per Taxonomy Regulation article 2(1) - EU 2020/852.

The PAIs are assessed and addressed in accordance with the principles and guidelines outlined in the ESG policies applied at UniCredit Group and under the [PAI Policy](#) of Structured Invest approved in May 2024 by the Board of Directors. Several measures are taken in order to consider and most importantly to avoid adverse impacts on sustainability factors in the first place.

In this context, UniCredit Group has defined and applied a set of exclusion criteria applied to countries (as issuers) and to companies with consolidated revenues exceeding predefined thresholds which is applicable to all legal entities of the Group. The criteria are applied to all products falling under SFDR art. 8 and 9 and to products not falling under SFDR but with ESG characteristics, in order to consider them as investment products with ESG characteristics and relevant for UniCredit Group clients' sustainability preferences. These exclusion criteria, are without exceptions, applied by SI to all underlying funds and their respective holdings:

1. Mandatory exclusion criteria that identify companies (zero-tolerance exclusions or above specific thresholds (in %) of consolidated revenues), countries, underlying assets in which investments cannot be made and that cannot be included in the advisory product catalogue. These exclusions are generally based on the following criteria:

a. UN Global Compact violations;

b. Manufacture, maintenance, and trade of controversial or morally unacceptable weapons;

c. Production of thermal coal (energy production) of companies deriving more than 25% of their revenues from such activities (to be phased out completely by 2029);

d. Extraction of hydrocarbons with controversial techniques or high environmental impact of companies deriving more than 25% of their revenues from such activities;

e. Bonds issued by countries that are non-compliant with the FATF recommendations and Paris 2015 Agreement on climate change.
2. Additional exclusion criteria that identify companies (above 10% consolidated revenues), countries, underlying assets in which investments cannot be made in order to consider them as suitable for sustainability preferences. Products not meeting these additional exclusion criteria cannot be classified as products with ESG characteristics. These exclusions are applicable to Art.8 funds and are generally based on the following criteria:

a. Thermal coal production (energy production);

b. Extraction of hydrocarbons with controversial techniques or high environmental impact;

c. Manufacture of tobacco;

d. Manufacture of military weapons;

e. Controversial activities linked to mining.

For more detailed information on the dedicated investment strategies of the different sub-funds in scope of this PAI statement, please consult their respective pre-contractual documentation documents which are available on SI's official website (<https://www.structuredinvest.lu/lu/en.html>) and / or in addition, the dedicated sustainability part on SI's website (<https://www.structuredinvest.lu/lu/en/fund-platform/esg.html>) which also includes the policy for the integration of sustainability risks into the investment decision making process and the on-going management of all funds as per SFDR article 3.

As described above, the responsibility for identifying and prioritizing PAIs is governed by this PAI Statement adopted by SI. This statement establishes clear roles and accountability for managing these processes, ensuring a structured approach and well-defined guidelines for implementation. The methodologies used are continuously updated to reflect changes in the regulatory landscape, ensuring compliance with the relevant indicators required for determining PAIs. For the identification and prioritisation of relevant sustainability indicators, different external sources (e.g. data provider) are used during pre-trade assessment. Based on this assessment, the relevant sustainability indicators that are identified as material for the delivery of the sustainability strategy are prioritised and in accordance with SFDR provisions reflected in the pre-contractual and website disclosures in accordance with article 8 SFDR respectively article 10 SFDR. Relevant sustainability indicators that can be taken into consideration may include GHG emissions, energy consumption for non-renewable sources, violations of the UN Global Compact principles, board gender diversity of investee companies or consideration of convictions and fines for violation of anticorruption and anti-bribery laws.

All necessary data and information required for the proper consideration of PAIs, as outlined in the measures above, are sourced from ISS (Data Desk). The data provider compiles and generates PAI data through a proprietary analysis combined with selected secondary sources. Environmental and social raw data are derived from publicly available information, which is updated annually based on issuers' annual and sustainability reports. ISS ESG's environmental and social raw data are part of a broader ESG raw data set, offering a comprehensive view across environmental, social, and governance metrics without additional assessments or scoring. This data set provides a 360° perspective on corporate disclosure regarding risk exposure and management in the ESG areas. Notably, and as stated in the [ISS E&S Raw Data Methodology](#), the environmental and social raw data does not rely on estimates, as it is exclusively based on reported figures.

4.2 Engagement policies

Engagement policies
<p>It has to be noted that, at a Group level, to date, UniCredit Group has not adopted yet a stewardship policy pursuant to Article 3g of Directive 2007/36/EC.</p> <p>SI acknowledges the importance of strengthening the engagement of investors and has developed a dedicated Engagement Policy.</p> <p>The Engagement Policy describes how SI</p> <div><div>a) monitors investee companies on relevant matters,</div><div>b) conducts dialogues with investee companies,</div><div>c) exercises voting rights and other rights attached to shares,</div><div>d) cooperates with other shareholders,</div><div>e) communicates with relevant stakeholders of the investee companies and</div><div>f) manages actual and potential conflicts of interests in relation to the engagement.</div></div> <p>SI publicly discloses on an annual basis how the Engagement Policy has been implemented, including:</p> <div><div>a general description of voting behaviour,</div><div>an explanation of the most significant votes and</div><div>the use of the services of proxy advisors (if any).</div></div> <p>Moreover, the annual disclosure includes information on how SI has cast votes in the general meetings of companies in which the Funds hold shares; however, such disclosure may exclude votes that are insignificant due to the subject matter of the vote or the size of the holding in the company.</p>

SI ensures that the principles of the Engagement Policy are applied by the respective investment manager either directly or by establishing comparable rules in compliance with regulatory provisions.

All information concerning the Engagement Policy and its implementation is publicly available on SI’s website [Voting Rights & Engagement Policy of Structured Invest S.A.](#)

4.3 References to international standards

References to international standards
<p>As a responsible Management Company within the UniCredit Group, SI is committed to aligning its operations with responsible business conduct codes and internationally recognised standards for due diligence and reporting. These standards serve as important guidelines for the operations and enable SI to align its practices with global sustainability objectives, including those outlined in the Paris Agreement.</p> <p>Consistent with UniCredit Group’s Purpose of empowering communities and driving sustainable growth, SI has established a comprehensive sustainability framework that comprises of policies and actions related to natural capital, human rights, and responsible investment. SI’s approach to sustainability is incorporating a number of internationally recognized guidelines and standards, which are helpful to assess and mitigate the environmental and social impacts of the investment activities. These include the International Finance Corporation (IFC) Performance Standards, the World Bank Group Environmental, Health, and Safety (EHS) Guidelines, and the principles of the UN Global Compact. UniCredit’s commitment to the UN Global Compact, in particular, reinforces SI’s dedication to responsible business practices across key areas such as human rights, labour, environment, and anti-corruption.</p> <p>As part of UniCredit Group’s broader sustainability governance, SI also adheres to the Equator Principles (EP), ensuring that the due diligence processes meet rigorous standards for environmental and social risk management. Additionally, the policies are inspired by global frameworks such as the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, and the International Labour Organization’s (ILO) Fundamental Human Rights Conventions.</p> <p>SI is fully aligned with UniCredit Group’s goal of achieving net-zero emissions by 2050, as part of the Group's participation in the Net Zero Banking Alliance. SI also contributes to the Group's interim 2030 targets for carbon-intensive sectors, helping to drive the transition toward a low-carbon economy. This objective is closely linked to the goals of the Paris Agreement, which seeks to limit global warming to well below 2 degrees Celsius above pre-industrial levels. Principles from the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Responsible Banking, which emphasize the need for financial institutions to align their portfolios with sustainable development goals and the Paris Agreement, are also taken into consideration.</p> <p>Through the alignment with these international standards and frameworks, SI demonstrates its commitment to ethical business conduct, environmental stewardship, and the promotion of social well-being. SI’s policies are regularly reviewed and updated to reflect evolving regulatory landscapes and best practices, ensuring continued alignment with global sustainability objectives.</p> <p>SI measures the adherence and/or alignment to these international standards and frameworks through the consideration of all mandatory PAIs for all products in scope of this statement.</p> <p>Given the rapidly changing regulatory landscape and the inherent limitations and heavy reliance on estimates in the methodologies currently available, SI considers the use of forward-looking climate scenarios as not particularly relevant at this time. However, SI remains committed to continually evaluating available metrics and methodologies to identify suitable data sources and providers.</p>

4.4 Historical comparison

Historical comparison
<p>It is not possible to make a historical comparison as this is the first statement on the principal adverse impacts of investment decisions on sustainability factors. The first historical comparison will be provided as of 30 June 2026.</p>