

**Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852**

**Product name:**

**Legal entity identifier**

Willerfunds - Willerfunds - Private Suite - Eurizon Multi-Asset Circular Economy

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**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## Sustainable investment objective

**Does this financial product have a sustainable investment objective?**

**X** Yes

No

It will make a minimum of **sustainable investments with an environmental objective: 70%**

**It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_% 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

It will make a minimum of **sustainable investments with a social objective %**

with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**



### What is the sustainable investment objective of this financial product?

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained

The Sub-fund has a sustainable investment objective and will invest its net assets in equities of companies that participate in the transition to a circular economy through processes such as product recycling, waste reduction, product life extension and renewable resources.

The Sub-fund may also invest its net assets in green bonds i.e. corporates, governments and agency bonds, issued to finance, for example, projects that respect the climate and the environment, such as renewable energy, energy efficiency, pollution prevention, clean transport, water management, circular economy, biodiversity protection and green building.

In order to reach its sustainable objective the Investment Manager adopts the firmwide sustainable investment framework built around the United Nations Social Development Goals (UN SDGs). This framework helps the Investment Manager to assess the extent companies' products and services address at least one of the selected environmental challenges, as defined by the UN Sustainable Development Goals (UN SDGs) without conflicting with any of the 17 SDGs.

The Sub-fund is actively managed. The Sub-fund is not managed in reference to a benchmark.

● **What Sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

The sustainability indicators used to measure the achievement of the Sub-fund's sustainable investment objective are the following:

- the weight of issuers operating in sectors deemed not "socially responsible", identified through the data of infoproviders specialized on ESG and SRI issues;
- the weight of issuers with a high exposure to ESG risks (so-called "critical issuers"), identified through data from specialized information providers on ESG issues;
- the weighted average weight of the issuers who appear to have, with reference to their products and services and production processes: (i) a net positive alignment with at least 1 of the no. 17 SDGs promoted by the United Nations and (ii) no net misalignment with any of the n. 17 SDGs the % of investments in UCITS/UCI categorized under article 9 SFDR;
- the weighted average ESG score of the portfolio compared with the investment universe.

As regards Active Ownership - Engagement, please refer to the Stewardship Report published on the website:

<https://www.eurizoncapital.com/en/sustainability/stewardship-and-esg-engagement-policy>.

● **How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?**

The sustainable investment framework based on UN SDGs is built around the concept of SDGs alignment as much as misalignment. Each investee company is evaluated in relation to both metrics therefore any misalignment to at least one of the 17 SDGs is considered a breach of the Do Not Significantly Harm (DNSH) criteria and it excludes the opportunity to invest in the issuer. Additional third party data provides further tools and KPIs to assess if and how any investee company pass the Do Not Significantly Harm ("DNSH") test.

— → *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The significant harm to any environmental or social sustainable investment objective (represented by one or more of each SDGs) is avoided by the monitoring of any adverse impact caused by each sustainable investment on sustainability factors. Impacts on PAI are managed directly through the application of the exclusion policy (for Issuers operating in non-socially responsible sectors or exposed to ESG risk) and the active engagement by FAMI on investee companies.

The Investment Manager can check the PAIs data concerning the Sub-fund through a periodic monitoring report, where can be consulted the values of the indicators at product level and, where present and possible, at respective benchmark level in order to include this information in the investment decision-making process.

The Investment Manager considers the following indicators: PAI 3 - GHG intensity of investee companies; PAI 4 Exposure to companies active in fossil fuel sector; PAI 5 - Share of non-renewable energy consumption and production; PAI 7 – Activities negatively affecting biodiversity-sensitive areas; PAI 13 - Board gender diversity; PAI 14 - Exposure to controversial weapons (anti-personnel mines, cluster ammunitions, chemical and biological weapons).

— → *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The methodology for selecting sustainable investments based on the Sustainable Development Goals promoted by the United Nations (UN SDGs) adopted by the SGR takes into consideration the main indicators of adverse impact through quantitative and qualitative metrics, such as the exposure of the issuer to any disputes. In this context, for example, the issuer's involvement in disputes over Human Rights,

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti - corruption and anti - bribery matters.

Workers' Rights and the conduct of its business is assessed.



## Does this financial product consider principal adverse impacts on sustainability factors?

- X** Yes, the Investment Manager considers the following indicators: PAI 3 - GHG intensity of investee companies; PAI 4 Exposure to companies active in fossil fuel sector; PAI 5 - Share of non-renewable energy consumption and production; PAI 7 – Activities negatively affecting biodiversity-sensitive areas; (for investments in sovereigns and supranationals) PAI 13 - Board gender diversity; PAI 14 - Exposure to controversial weapons (anti-personnel mines, cluster ammunitions, chemical and biological weapons).

In the best interest of its financial products, the SGR undertakes (i) to continue to develop its own policies on sustainability and (ii) to activate specific engagement actions towards investee issuers that show significant deviations from specific environmental indicators, social and governance or that show significant negative effects on several indicators, with the aim of orienting them towards improving their sustainability practices by evaluating, only as a last resort, the disposal of investments. Information on PAI, will be available in the annual Sub-fund report in the specific section of the 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".

No



## What investment strategy does this financial product follow?

In actively managing the Sub-fund, the Investment Manager follows a disciplined two-step ESG selection process:

- negative screening: exclusion of companies that are involved in the production of cluster bombs and landmines or, limited to investments in equity, derive 25% or more of their revenues from thermal coal mining or the production of electricity from thermal coal, or do not include independent members in the corporate government institutions. The issuers are identified among those included in the "MSCI ESG Ratings - World";
- positive screening for equity investments: selection of companies that are leaders in the transition to a circular economy and, in particular, that meet following inclusion criteria: "circular transition" (such as companies that have a high percentage of waste recycling, recycle products or share products as a service), "facilitators" (such as companies that produce renewable resources or contribute to green mobility) and "suppliers" (companies that provide products and services that support circular production models).

The contribution of each investment to the investment objectives are monitored by the Investment Manager on a continuous basis. Investments which does not contribute to the investment objective are subject to potential exclusion.

### ● **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

1. The Sub-fund is an impact sub-fund classified under SFDR Art. 9 therefore the first binding element is the mandatory requirement to invest only in sustainable investments unless for liquidity and hedging purpose;
2. Any UCITS/UCI that the Sub-fund invests in will also need to have been categorized under article 9 SFDR;
3. The weighted average ESG score must be higher than the one of its investment universe.
4. The Sub-fund must also be compliant with the following binding elements:

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

a. SRI Exclusions - Issuers operating in sectors deemed not to be "socially responsible" are (i) companies characterized by a clear direct involvement in the manufacture of unconventional weapons (Land-mines, Cluster bombs, Nuclear weapons, Depleted uranium, Biological weapons, Chemical weapons, Invisible cluster munitions, Blinding Lasers, Incendiary weapons, White phosphorus) or in the (ii) companies that derive at least 25% of their turnover from mining or electricity production activities linked to thermal coal or (iii) companies that derive at least 10% of their turnover from the extraction of oil sands; for issuers with exposure to the thermal coal and oil sands sectors below the thresholds, specific escalation processes are triggered which may result in restrictions and/or exclusions with respect to the Investment Universe of individual managed assets;

b. ESG Exclusions - "critical" issuers for which an escalation process is activated that leads to restrictions and/or exclusions determines with respect to the Investment Universe of individual managed assets (known as "ESG Binding screening"); "critical" issuers are those companies with the highest exposure to environmental, social and corporate governance risks, i.e. with a lower ESG sustainability rating level (equal to "CCC" assigned by the specialised info-provider "MSCI ESG Research") in the equity and bond investment universe;

c. Sustainability Integration - measured by the weighted average weight of the issuers who appear to have, with reference to their products and services and production processes: (i) a net positive alignment with at least 1 of the no. 17 SDGs promoted by the United Nations and (ii) no net misalignment with any of the n. 17 SDGs.

d. Active Ownership - as regards the binding element of Active Ownership - Engagement, please refer to the Stewardship Report published on the website: Stewardship and ESG Engagement Policy - Eurizon ([eurizoncapital.com](http://eurizoncapital.com)). The binding elements are monitored on ongoing basis by the risk manager and by the portfolio manager.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● **What is the policy to assess good governance practices of the investee companies?**

The assessment of the good governance practices is a central pillar of the investment process adopted by the Investment Manager and it consists of the assurance that the governance of the issuers (or investee companies) is based on rules of conduct aligned to international best practices and inspired by the consideration of all stakeholders' interests also by means of a remuneration policy.

Compliance with issuers' good governance practices is ensured through the application of ESG and SRI exclusions criteria and through extensive screening based on third party data provider based on specific relevant factors, among them employee practices, ownership and management structures, tax and accounting compliance and open or past controversies.



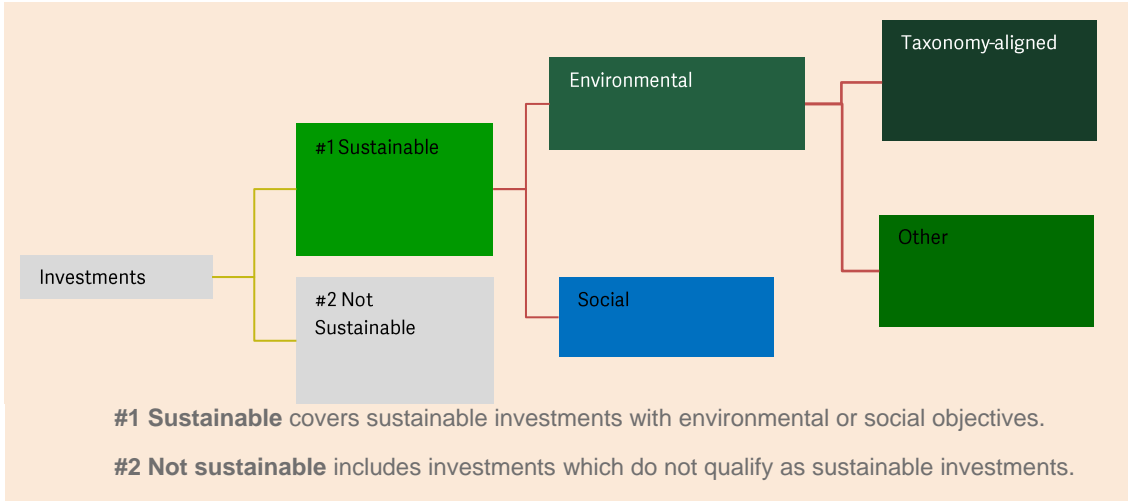
**Asset allocation** describes the share of investments in specific assets.

**What is the asset allocation and the minimum share of sustainable investments?**

The Sub-fund has a sustainable investment objective and will pursue a minimum share of sustainable investment of 70%. The minimum share of sustainable investment with an environmental objective is 70%. There is no minimum commitment to sustainable investment with a social objective. Sustainable investments with an environmental objective will be made in economic activities that are not considered sustainable in accordance with the EU taxonomy. It is however not excluded that the Sub-fund may be exposed to underlying investments that contribute to one or more of the environmental objectives of the EU Taxonomy, such as but not limited to climate change mitigation and/or climate change adaptation, but such investments are not in themselves decisive for the pursuit of the Fund's environmental objectives.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



● **How does the use of derivatives attain the sustainable investment objective?**

Derivatives are only used for hedging purposes if and when market conditions encourage a prudent approach to protect clients' investment and a more efficient portfolio management.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Sub-fund cannot yet commit to a minimum share of sustainable Investment with an environmental objective aligned with the EU Taxonomy.

It is however not excluded that the Sub-fund may be exposed to underlying investments that contribute to one or more of the environmental objectives of the EU Taxonomy, such as but not limited to climate change mitigation and/or climate change adaptation. However, currently due to a lack of reliable data, the share of environmentally sustainable investments under the Taxonomy Regulation is assessed to be 0%.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?<sup>1</sup>**

Yes

In fossil gas

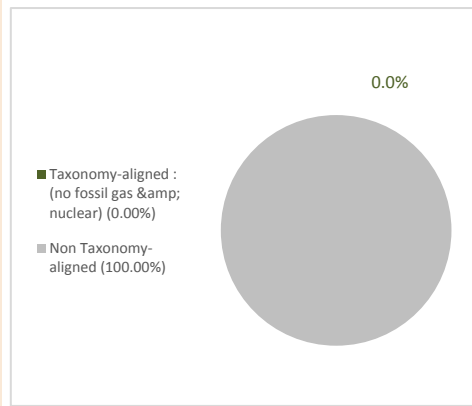
In nuclear energy

No

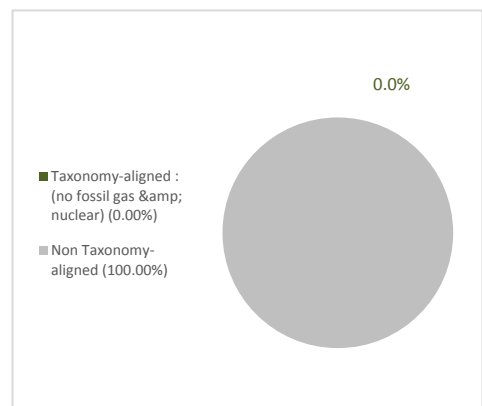
<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**The two graphs below show in green the minimum percentage of investments that are 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.**

1. Taxonomy alignment of investments including sovereign bonds\*



2. Taxonomy alignment of investments excluding sovereign bonds\*



This graph represents 0 % of the total investments.

\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **What is the minimum share of investments in transitional and enabling activities?**

Currently there is no commitment to a minimum share of investments in transitional and enabling activities although the Sub-fund may have significant exposure to some of these activities.



## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

70

The Sub-fund commits to invest at least 70% of the portfolio in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



## What is the minimum share of sustainable investments with a social objective?

The Sub-fund does not commit to make sustainable investments with a social objective



## What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

The Sub-Fund has a sustainable investment objective and will make a minimum of sustainable investments with an environmental objective of 70%. The remaining part of the Fund's assets may be invested in liquidity management instruments as well as in financial derivative instruments used both for risk hedging purposes and for efficient portfolio management, in line with the investment policy. It is therefore specified that no environmental or social safeguard clause has been taken into consideration with regard to these investments.



## Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

No reference benchmark has been designated to meet the sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

- **How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?**

Not applicable

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable

- **How does the designated index differ from a relevant broad market index?**

Not applicable

- **Where can the methodology used for the calculation of the designated index be found?**

Not applicable



## Where can I find more product specific information online?

More product-specific information can be found on the website:

[http://www.fideuramireland.ie/en/legal\\_documentation](http://www.fideuramireland.ie/en/legal_documentation)

Further details are available on the Management Company's "Sustainable And Responsible Investment Policy":

[http://www.fideuramireland.ie/upload/File/pdf/Policy\\_FAMI/FAMI\\_Sustainable\\_and\\_responsible\\_i](http://www.fideuramireland.ie/upload/File/pdf/Policy_FAMI/FAMI_Sustainable_and_responsible_i)

[nvestment\\_policy.pdf](#)

Please also refer to the Management Company's policy for a description of the rules that discipline the integration of ESG factors and the consideration of sustainability risk, in accordance with the requirements of the current legislation, where the financial management of a product is delegated to third-party fund houses. Further details on the sustainability indicators approach (as may be updated from time to time) adopted are set out at:

[https://www.eurizoncapital.com/-/media/Project/Eurizon/EurizonPortals/EurizonPortal/Files/Sustainability/ENG/PoliticaSostenibilita\\_eng.pdf](https://www.eurizoncapital.com/-/media/Project/Eurizon/EurizonPortals/EurizonPortal/Files/Sustainability/ENG/PoliticaSostenibilita_eng.pdf)