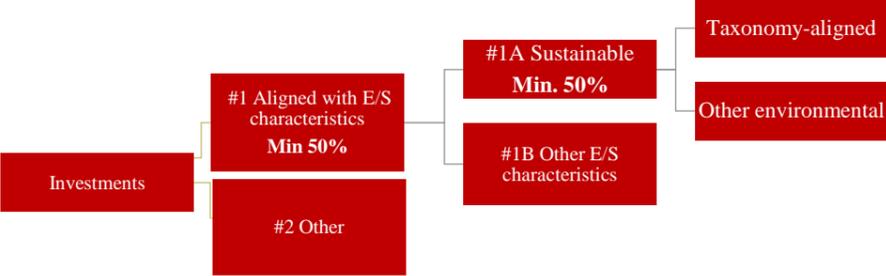


LUX IM – ESG AMBIENTA ALPHA GREEN (“Sub-fund”)

Sustainability-related disclosures required for Article 8 financial products under the Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector

Section	Disclosure
No sustainable investment objective	<p>The Sub-fund promotes environmental or social characteristics, but does not have as its objective sustainable investment.</p> <p>The Sub-fund will allocate a minimum of 50% of its assets in sustainable investments in accordance with Article 2 (17) SFDR. The Sub-fund is considering the EU criteria for environmentally sustainable economic activities as defined under the EU Taxonomy Regulation.</p> <p>The Sub-fund’s sustainable investments are composed by environmentally sustainable (“ES”) investments: equities and equity-linked securities of companies worldwide exposed to ES trends, as measured, at position level, by the Ambianta Sustainability Index (ASI), a proprietary analytical assessment framework. At Sub-fund level this is achieved by ensuring that the net exposure to sustainability (Sustainable Notional Value, SNV) is greater than the net exposure to the market (Delta Notional Value, or “DNV”).</p>
Environmental or social characteristics of the financial product	<p>The Sub-fund invests in securities of issuers that contribute to the Sub-fund’s promoted environmental characteristics, including environmentally sustainable (ES) investments. This is achieved through the implementation of binding environmental sustainability and Environmental, Social and Governance (“ESG”) criteria with a focus on companies involved in sectors and/or activities which may benefit from competitive advantage driven by environmental sustainability trends, i.e. the improvement of Resource Efficiency and/or Pollution Control.</p> <p>This is measured, at position level, by the Ambianta Sustainability Index (ASI), a proprietary analytical assessment framework. At Sub-fund level this is achieved by ensuring that the net exposure to sustainability (Sustainable Notional Value, SNV) is greater than the net exposure to the market (Delta Notional Value, or “DNV”).</p>
Investment strategy	<p>The Sub-fund aims to generate attractive risk-adjusted absolute returns, through capital appreciation and income, by implementing a long-short investment strategy, where short positions will be achieved through the use of eligible financial derivative instruments (“FDIs”). The security selection process is based on the investment manager’s ongoing analysis of the target issuers’ financial fundamentals as well as binding environmental sustainability and Environmental, Social and Governance (“ESG”) criteria with a focus on companies involved in sectors and/or activities which may benefit from competitive advantage driven by environmental sustainability trends, i.e. the improvement of Resource Efficiency and/or Pollution Control, and thus aiming to achieve a sustainable investment objective being an environmental sustainable objective.</p> <p>In seeking to identify environmental sustainable investments, the Investment Manager employs a disciplined and uncompromising fundamental bottom-up investment research process, leading to a high conviction, concentrated portfolio of long and short securities of companies exposed to environmental sustainable trends.</p> <p>Environmental Sustainability is thus the key driver of the Investment Strategy and is embedded in the portfolio selection process by which it identifies environmental sustainable investments. The Investment manager consider the Environmental Sustainability as: i) a rigorous filter to highlight environmental sustainable investment opportunities in attractive companies (potential Core Longs), and ii) a disruptive force impacting incumbent franchises or overvalued green-washed companies lacking sustainable competitive advantages (potential Core Shorts).</p> <p>Target investments are subject to the following sustainability indicators, in order to assess their eligibility for investment by the Sub-fund and thus to measure the attainment of the pursued environmental and social characteristics:</p> <ul style="list-style-type: none"> ▪ Negative screening: exclusion of target issuers involved in controversial conduct and/or activities; ▪ Sustainable Investments and Positive Screening; ▪ Consideration of principal adverse impacts (PAI) <p>During the due diligence phase and afterwards through monitoring, as per the ESG in Action programme, the Investment Manager aims to ensure that investee companies operate in compliance with the best practices of business conduct and integrity, with particular reference to sound management structures, relations with staff, staff remuneration and compliance with tax obligations.</p>
Proportion of investments	<p>The Sub-Fund will invest at least 50% of its net assets in investments that are aligned to the promoted environmental and/or social characteristics. being sustainable investments with an environmental objective. Sustainable investments include both Taxonomy-aligned ones and other environmental sustainable investments.</p> <p>To classify investments as sustainable, the Investment Manager applies its proprietary methodology. Target issuers are analysed using the Ambianta Sustainability Index (“ASI”) framework, which assigns a number between -100% and 100% based on the contribution to Resource Efficiency and Pollution Control of each individual company and thereby its contribution to environmental sustainability and related trends. The ASI is calculated as the weighted average of the positive or negative environmental contribution of each division, based on enterprise value. Among the long positions, the Sub-fund excludes target issuers that do not meet the Ambianta Sustainability Index threshold (≥25%). A target issuer that passes the minimum ASI threshold is considered as sustainable in its entirety.</p> <p>The remaining investments of the Sub-fund (“#2 Other”) may include (i) ancillary cash and cash equivalents for liquidity purposes within the limits prescribed by applicable laws and (ii) derivatives which may be used for hedging and investment purposes as per the applicable provisions of the Investment Policy of the Sub-fund. In all relevant circumstances minimum safeguards are integrated in the analysis to ensure the delivery of its overall sustainable</p>

Section	Disclosure
	<p>investment objective: i) they are analysed as part of the investment due diligence phase through an assessment and ii) during the management phase through targeted monitoring activities.</p>  <pre> graph LR Investments --> N1["#1 Aligned with E/S characteristics Min 50%"] Investments --> N2["#2 Other"] N1 --> N1A["#1A Sustainable Min. 50%"] N1 --> N1B["#1B Other E/S characteristics"] N1A --> TA["Taxonomy-aligned"] N1A --> OE["Other environmental"] </pre>
<p>Monitoring of environmental or social characteristics</p>	<p>The Investment Manager integrates the ESG analysis within the following investments selection processes:</p> <ul style="list-style-type: none"> ▪ Negative screening (severe controversies and specific activities, e.g. controversial and nuclear weapons; conventional weapons; adult entertainment; coal; tobacco; gambling); ▪ Sustainable investments and Positive screening (target issuers are analysed using the ASI, which represents in one figure, between -100% and 100%, the contribution to Resource Efficiency and Pollution Control. To attain the environmental characteristics of the Sub-fund, the SNV of the Sub-fund, being the weighted average of the individual ASIs, needs to be greater than the DNV, ensuring a net exposure to sustainability larger than the net exposure to the market.) ▪ PAI consideration
<p>Methodologies for environmental or social characteristics</p>	<p>In order to attain the promoted environmental and social characteristics, the eligibility of target issuers is assessed based on a Negative screening; Sustainable investments and Positive screening and consideration of principal adverse impacts.</p> <p>Internal controls are in place in respect of investment decision making for the Sub-fund. These include, but are not limited to, pre-trade and post-trade controls to ensure all applicable binding elements are observed at all times and independent oversight by risk management functions as required.</p>
<p>Data sources and processing</p>	<p>The data and information useful for the application of the ASI are collected during due diligence and periodically over the duration of the investment, by the Sustainability & Strategy team with the support of the investment team. The data and information necessary is obtained from a range of sources, with the aim of guaranteeing completeness and quality of information.</p>
<p>Limitations to methodologies and data</p>	<p>The limitations to the attainment of the promoted environmental and social characteristics are deemed non-material for the attainment of the environmental or social characteristics promoted by the Sub-fund.</p>
<p>Due Diligence</p>	<p>In order to qualify for initial investment, the investments must comply with the binding elements applied by the Sub-fund. This compliance has to be ensured by the Investment Manager through pre-trade compliance mechanism in place.</p>
<p>Engagement Policies</p>	<p>During the holding period Ambienta will continue monitoring negative impacts through a combination of proprietary tools and external market research analysis, which are subsequently factored into investment decisions and in implementing Ambienta's engagement and active ownership practices..</p>
<p>Designated reference benchmark</p>	<p>No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund.</p>