

## WEBSITE DISCLOSURE FOR ARTICLE 8 FUNDS

### MARCH INTERNATIONAL - MARCH CLIMATE SOLUTIONS

#### a. Summary

*This financial product's (the Sub-Fund) investment objective is to provide long-term capital appreciation through selected investments in listed equity securities of companies that develop climate-and environment-friendly solutions, such as renewable energy and resource efficiency, and that appear to offer superior growth prospects and investment.*

*The Sub-Fund qualifies as an Article 8 product under SFDR. The Sub-Fund is managed to promote, among other characteristics, a combination of environmental and social characteristics (as provided under article 8 of SFDR), and will additionally invest a minimum proportion of 20% of its net assets in sustainable investments as defined by SFDR.*

*The Investment Manager integrates sustainability risks and opportunities into its research, analysis and investment decision-making processes. For further information on the Investment Manager's ESG policy please consult <https://www.march-am.com/en/about-us/sustainable-and-responsible-investment/>.*

*As part of its investment policy, the Sub-Fund's investments are made in accordance with pre-determined sector exclusion/limitation criteria. As a rule, the Sub-Fund opposes and, therefore limits investment in companies whose main activity involves the manufacture of controversial weapons, thermal coal, tobacco, adult content, gambling, GMO's and alcohol. The investment manager is implementing screening criteria to monitor holdings for compliance with the investment manager's exclusionary screening.*

*In order to promote a combination of environmental and social characteristics (as provided under article 8 of SFDR), the Investment Manager will monitor the sustainability characters and indicators of the companies the Sub-Fund may invest in both directly and through third-party providers. Those characters and indicators are related to material ESG issues that could affect the company reputation, long-term risks as a consequence of climate change, ethical considerations, regulatory compliance, externalities, etc. such as bribery and corruption, carbon intensity in own operations, emissions, water disposal, water intensity use, corporate governance, independence and composition of the board and community relations amongst others.*

*The Sub-Fund will monitor how ESG risks could impact the target companies' economic value as a result of ESG factors and will classify them into one of five risk categories: negligible-low-medium-high and severe. Although the investment strategy does not exclude companies that could at any given time show weak ESG ratings and accepted by the investment manager as potential improvers, the total amount of companies with high and/or severe ESG risk will never exceed 25% of the total portfolio.*

*The companies in which the Sub-Fund invests will follow good governance practices. The first objective in governance is to protect the value of the company. A management team must have objectives similar to those of the small shareholder. The Investment Manager will look at management teams fully aligned with the objectives of all shareholders. More specifically, key variables which are considered when assessing governance practices of management teams and board of directors are alignment of interests, track record as a company manager, skills, diversity, strategy, litigation risks and corruption.*

*Furthermore, the Sub-Fund will exercise active ownership in the investees 'companies, voting on stocks and engaging on selected companies (either directly or through third party providers).*

*Besides promoting the above mentioned environmental and social characteristics, the Sub-Fund will commit to making sustainable investments. Investments classified as 'sustainable' according to SFDR and investments in economic activities that qualify as environmentally sustainable as defined by the Taxonomy Regulation will represent at least 20% of the portfolio, not significantly harming any social or environmental objective and ensuring that investee companies follow good governance practices.*

*The process of identifying the main adverse impacts (those that may significantly harm any environmental or social objective (DNSH assessment)) is conducted when selecting assets in which to invest. This is based on internal exclusion/limitation criteria as described previously and norms-based analysis based in the UN Global Compact; the UN Global Compact (of which March AM is a partner) is an international initiative that encourages companies to incorporate 10 universal principles concerning human rights, labour, the environment and the fight against corruption into their strategies and operations and to act in a way that advances the social targets and implementation of the SDGs; additionally to this negative screening the Investment Manager considers, using external providers data, the level of controversies of the companies the Sub-Fund is investing in; in this sense, for the companies the Investment Manager considers sustainable investments it will only tolerate low or moderate level of controversies, excluding from this sustainable investment part all companies with significant, high or severe level of controversies.*

*Investee companies will follow good governance practices. The first objective in governance is to protect the value of the company. A management team should have objectives which are similar to those of the small shareholder. The Investment Manager will look at management teams fully aligned with the objectives of all shareholders. More specifically, key variables which are considered when assessing governance practices of management teams and board of directors are quality & integrity, structure, ownership & shareholder rights, remuneration, audit & financial reporting and stakeholder governance; for this assessment, third party data from high quality data providers will be used; in this sense, within the companies the Investment Manager considers sustainable investments it will only consider companies which management are rated as Leaders, Outperformers or Average Performers, excluding those rated as Underperformers or Laggards.*

*Pursuant to the Taxonomy Regulation, the Sub-Fund does not currently intend to invest in sustainable investments that are aligned with the EU Taxonomy and the minimum share of taxonomy-aligned investments (including transitional and enabling activities) is therefore assessed to be 0%.*

*The Investment Manager does not consider (e.g., address, avoid or mitigate) principal adverse impact indicators (the 'PAI Indicators') on sustainability factors, however, they are considered in the sustainable investments part according to the PAI indicators in Annex 1 of the Delegated Regulation (EU) 2022/1288 (RTS).*

*Even using specialized data providers to access the investment's PAI data, the present coverage to collect the necessary data is heterogeneous and, in some circumstances, weak or non-existent. Due to the lack of data, it is feasible that the product manager is now unable to evaluate some investment PAIs.*

## **a. Résumé**

*L'objectif d'investissement de ce produit financier (le Compartiment) est de réaliser une appréciation du capital à long terme en investissant de manière sélective dans des titres de participation cotés de sociétés qui mettent au point des solutions respectueuses du climat et de l'environnement, telles que les énergies renouvelables et l'efficacité des ressources, et qui semblent offrir de meilleures perspectives de croissance et de rendement.*

Le Compartiment est classé comme un produit conforme à l'article 8 du Règlement SFDR. Le Compartiment est géré de manière à promouvoir, entre autres, une combinaison de caractéristiques environnementales et sociales (tel que stipulé à l'article 8 du SFDR) et investit, en outre, au moins 20 % de son actif net dans des placements durables tels que définis par le SFDR.

*Le gestionnaire d'investissement tient compte des risques et des opportunités en matière de durabilité dans ses processus de recherche, d'analyse et de prise de décision en matière de placement. Pour obtenir plus d'informations sur la politique ESG du gestionnaire d'investissement, veuillez vous rendre sur la page <https://www.march-am.com/es/nosotros/inversion-sostenible-y-responsable/>.*

*Conformément à sa politique d'investissement, les investissements du Compartiment sont réalisés en application de certains critères prédéterminés d'exclusion ou de limitation de secteurs. En règle générale, le Compartiment limite les investissements dans des entreprises dont l'activité principale est liée à la fabrication d'armes controversées, au charbon thermique, au tabac, aux contenus pour adultes, aux jeux d'argent, d'OGM et à l'alcool. Le gestionnaire d'investissement applique des critères de sélection pour vérifier que les positions du portefeuille répondent à ses critères d'exclusion.*

*Afin de promouvoir une combinaison de caractéristiques environnementales et sociales (tel que stipulé à l'article 8 du SFDR), le Gestionnaire d'investissement surveille les caractéristiques et les indicateurs de durabilité des sociétés dans lesquelles le Compartiment peut investir, tant directement que par l'intermédiaire de prestataires tiers. Ces caractéristiques et indicateurs se rapportent à des enjeux ESG importants qui pourraient avoir une incidence sur la réputation de l'entreprise, aux risques à long terme résultant du changement climatique, aux considérations éthiques, à la conformité réglementaire, aux externalités, etc., telles que la corruption, l'intensité carbone de ses propres activités, les émissions, les rejets d'eau, la consommation d'eau, la gouvernance d'entreprise, l'indépendance et la composition du conseil d'administration et les relations avec les collectivités.*

*Le Compartiment surveillera la manière dont les risques ESG pourraient affecter la valeur économique des entreprises ciblées en raison des facteurs ESG et les classera dans l'une des cinq catégories de risque suivantes : Insignifiant, faible, moyen, élevé et grave. Bien que la stratégie d'investissement n'exclue pas les entreprises qui peuvent avoir de mauvais scores ESG à un moment donné, mais qui ont été acceptées par le gestionnaire d'investissement pour leur potentiel d'amélioration, la part d'entreprises présentant un risque ESG élevé ou grave ne pourra jamais dépasser 25 % du portefeuille total.*

*Les sociétés dans lesquelles le Compartiment investit appliquent des pratiques de bonne gouvernance. L'objectif premier de la gouvernance est de protéger la valeur de l'entreprise. Les équipes de direction doivent chercher à atteindre des objectifs similaires à ceux du petit actionnaire. Le gestionnaire d'investissement privilégiera des équipes de gestion qui sont parfaitement alignées sur les objectifs de tous les actionnaires. En particulier, les variables clés prises en compte lors de l'évaluation des pratiques de gouvernance des équipes de direction et des conseils d'administration sont l'alignement des intérêts, l'historique de performances des dirigeants, les compétences, la diversité, la stratégie, les risques de contentieux et la corruption.*

*Le Compartiment s'impliquera par ailleurs activement dans les sociétés dans lesquelles il investit, en votant pour des actions et en s'impliquant dans les sociétés sélectionnées (soit directement, soit par l'intermédiaire de fournisseurs tiers).*

*En plus de promouvoir les caractéristiques environnementales et sociales susmentionnées, le Compartiment s'engage à réaliser des investissements durables. Les investissements classés comme « durables » au regard du règlement SFDR et les investissements dans des activités économiques qui peuvent être considérées comme durables sur le plan environnemental au sens du règlement sur la taxonomie doivent représenter au moins 20 % du portefeuille, ne pas causer de préjudice important à la réalisation des objectifs sociaux ou*

*environnementaux et veiller à ce que les sociétés dans lesquelles l'investissement est réalisé respectent les bonnes pratiques de gouvernance.*

*Le processus d'identification des principales incidences négatives (celles qui peuvent nuire de manière significative à un objectif environnemental ou social (évaluation DNSH)) est effectué au moment de la sélection des actifs investissables. À ce titre, des critères internes d'exclusion ou de limitation sont utilisés, comme décrit ci-dessus. Une analyse fondée sur des règles et basée sur le Pacte mondial des Nations Unies est également réalisée. Le Pacte mondial des Nations Unies (dont March AM est partenaire) est une initiative internationale qui encourage les entreprises à intégrer 10 principes universels relatifs aux droits humains, au travail, à l'environnement et à la lutte contre la corruption dans leurs stratégies et leurs activités, ainsi qu'à prendre des mesures de manière à promouvoir les objectifs sociaux et la mise en œuvre des ODD. En plus de cette sélection négative, le Gestionnaire d'investissement prend en compte, à l'aide de données provenant de prestataires externes, le niveau de controverses des sociétés dans lesquelles le Compartiment investit. Ainsi, pour les entreprises considérées comme des investissements durables, le gestionnaire d'investissement ne tolérera qu'un niveau de controverse faible ou modéré et exclura de la part correspondant aux investissements durables toutes les entreprises qui présentent un*

*un nivel de controversas importante, elevado o grave.*

*Las empresas en las que invertimos aplicarán buenas prácticas de gobernanza. El objetivo principal de la gobernanza es proteger el valor de la empresa. Los equipos de dirección deben buscar alcanzar objetivos similares a los del pequeño accionista. El gestor de inversión privilegiará a los equipos de gestión que estén perfectamente alineados con los objetivos de todos los accionistas. En particular, los principales factores a tener en cuenta al evaluar las prácticas de gobernanza de los equipos de dirección y de los consejos de administración son la calidad y la integridad, la estructura del accionariado, la propiedad y los derechos de los accionistas, la remuneración, el control y la información financiera, así como la gobernanza de las partes interesadas. Los datos procedentes de proveedores de primer nivel se utilizarán para esta evaluación. Si se trata de empresas que el gestor considera como inversiones de largo plazo, no se tendrán en cuenta las que se hayan etiquetado como Leader, Superior o Mediocre, sino las que se hayan etiquetado como Insuficientes o Retardadas.*

*De acuerdo con el Reglamento de la taxonomía, el Compartimento no tiene intención de invertir en inversiones de largo plazo alineadas con la taxonomía de la UE y, por lo tanto, la proporción mínima de inversiones alineadas con la taxonomía (incluyendo las actividades transitorias y habilitantes) es como consecuencia igual a 0 %.*

*El gestor de inversión no tiene en cuenta (por ejemplo, abordar, evitar o atenuar) los principales indicadores de impacto negativo (« PAI ») sobre los factores de sostenibilidad, pero sí los tiene en cuenta en la proporción correspondiente a las inversiones de largo plazo de acuerdo con los indicadores PAI que figuran en el anexo 1 del Reglamento Delegado (UE) 2022/1288 (RTS).*

*Y como parte de su política de inversión, el gestor de inversión utiliza proveedores de datos especializados para acceder a los datos sobre los PAI de las inversiones, la cobertura de los datos requeridos para los indicadores PAI es heterogénea y, en algunos casos, mediocre o inexistente. Debido a la falta de datos, es posible que el gestor de productos no pueda medir o evaluar algunos PAI de las inversiones.*

## **a. Resumen**

*El objetivo de inversión de este producto financiero (el Subfondo) es conseguir una revalorización del capital a largo plazo mediante inversiones seleccionadas en valores de renta variable cotizados de empresas que desarrollen soluciones respetuosas con el clima y el medio ambiente, como las energías renovables y la eficiencia de los recursos, y que parezcan ofrecer perspectivas de crecimiento e inversión superiores.*

*El Subfondo está clasificado como producto conforme con el artículo 8 del Reglamento SFDR. El Subfondo está gestionado para promover, entre otras características, una combinación de características medioambientales y sociales (según lo dispuesto en el artículo 8 del SFDR) e invertirá, además, una proporción mínima del 20 % de su patrimonio neto en inversiones sostenibles según la definición del SFDR.*

*La Gestora de Inversiones integra los riesgos y oportunidades de sostenibilidad en sus procesos de investigación, análisis y toma de decisiones de inversión. Para más información sobre la política ASG de la Gestora de Inversiones, consulte <https://www.march-am.com/es/nosotros/inversion-sostenible-y-responsable/>.*

*Como parte de su política de inversión, las inversiones del Subfondo se realizan de acuerdo con criterios predeterminados de exclusión o limitación de sectores. Por norma general, el Subfondo se opone y, por lo tanto, limita la inversión en empresas cuya actividad principal esté relacionada con la fabricación de armas controvertidas, carbón térmico, tabaco, contenido para adultos, juegos de azar, OMG y alcohol. La Gestora de Inversiones aplica criterios de selección para controlar que las posiciones de la cartera cumplan su criterio de exclusión.*

*Con el fin de promover una combinación de características medioambientales y sociales (según lo dispuesto en el artículo 8 del SFDR), la Gestora de Inversiones supervisará los caracteres e indicadores de sostenibilidad de las empresas en las que el Subfondo pueda invertir, tanto directamente como a través de terceros proveedores. Dichos caracteres e indicadores están relacionados con cuestiones ASG materiales que podrían afectar a la reputación de la empresa, riesgos a largo plazo como consecuencia del cambio climático, consideraciones éticas, cumplimiento normativo, externalidades, etc., como soborno y corrupción, intensidad de carbono en operaciones propias, emisiones, vertidos de agua, uso intensivo del agua, gobierno corporativo, independencia y composición del consejo y relaciones con la comunidad, entre otros.*

*El Subfondo vigilará cómo los riesgos ASG podrían afectar al valor económico de las empresas objetivo como consecuencia de factores ASG y los clasificará en una de las cinco categorías de riesgo: insignificante, bajo, medio, alto y grave. Aunque la estrategia de inversión no excluye a aquellas empresas que, en un momento dado, podrían presentar malas calificaciones ASG, pero que han sido aceptadas por la Gestora de Inversiones*

*por su potencial de mejora, el volumen total de empresas con riesgo ASG alto o grave nunca podrá superar el 25 % del total de la cartera.*

*Las empresas en las que invierte el Subfondo se adherirán a prácticas de buena gobernanza. El objetivo primordial de la gobernanza es proteger el valor de la empresa. Los equipos directivos deben perseguir objetivos similares a los del pequeño accionista. La Gestora de Inversiones buscará equipos directivos plenamente alineados con los objetivos de todos los accionistas. En particular, las variables clave que se toman en cuenta a la hora de evaluar las prácticas de gobernanza de los equipos directivos y los consejos de administración son la alineación de intereses, el historial como gestor de la empresa, las competencias, la diversidad, la estrategia, los riesgos de litigio y la corrupción.*

*Además, el Subfondo ejercerá una participación activa en las empresas en las que se invierte, emitiendo votos por las acciones y participando en empresas seleccionadas (ya sea directamente o a través de terceros proveedores).*

*Además de promover las características medioambientales y sociales antes mencionadas, el Subfondo se comprometerá a realizar inversiones sostenibles. Las inversiones clasificadas como «sostenibles» según el SFDR y las inversiones en actividades económicas que puedan considerarse medioambientalmente sostenibles según la definición del Reglamento de Taxonomía constituirán, al menos, el 20 % de la cartera, no perjudicarán significativamente ningún objetivo social o medioambiental y garantizarán que las empresas en las que se invierte siguen prácticas de buena gobernanza.*

*El proceso de identificación de las principales incidencias adversas (aquellas que puedan perjudicar significativamente algún objetivo medioambiental o social (evaluación DNSH)) se lleva a cabo en el momento de seleccionar los activos en los que invertir. Para ello, se recurre a criterios internos de exclusión o limitación, conforme a lo antes descrito, y a un análisis basado en normas que se apoya en el Pacto Mundial de las Naciones Unidas. El Pacto Mundial de las Naciones Unidas (del que March AM es socio) es una iniciativa internacional que anima a las empresas a incorporar 10 principios universales relativos a los derechos humanos, el trabajo, el medio ambiente y la lucha contra la corrupción a sus estrategias y operaciones, así como a actuar de manera que promuevan los objetivos sociales y la aplicación de los ODS. Además de esta selección negativa, la Gestora de Inversiones tiene en cuenta, utilizando datos de proveedores externos, el nivel de controversias de las empresas en las que invierte el Subfondo. En este sentido, para las empresas que la Gestora de Inversiones considera inversiones sostenibles, solo tolerará un nivel bajo o moderado de controversias y excluirá de esta parte de inversión sostenible a todas las empresas*

*con un nivel significativo, alto o grave de controversias.*

*Las empresas en las que se invierte se adherirán a prácticas de buena gobernanza. El objetivo primordial de la gobernanza es proteger el valor de la empresa. Los equipos directivos deben perseguir objetivos similares a los del pequeño accionista. La Gestora de Inversiones buscará equipos directivos plenamente alineados con los objetivos de todos los accionistas. En particular, las variables clave que se toman en cuenta a la hora de evaluar las prácticas de gobernanza de los equipos directivos y los consejos de administración son la calidad y la integridad, la estructura, la propiedad y los derechos de los accionistas, la remuneración, la información de auditoría y financiera y la gobernanza de las partes interesadas. Para esta evaluación, se utilizarán datos de terceros procedentes de proveedores de alta calidad. En este sentido, dentro de las empresas que la Gestora de Inversiones considera inversiones sostenibles, solo tendrá en cuenta aquellas cuya gestión esté calificada como Líderes, Superiores o Mediocres, excluyendo las calificadas como Insuficientes o Rezagadas.*

*De conformidad con el Reglamento de Taxonomía, el Subfondo no tiene intención de invertir en inversiones sostenibles que estén alineadas con la Taxonomía de la UE y, por lo tanto, se considera que el compromiso mínimo de inversiones alineadas con la taxonomía (incluidas las actividades transitorias y facilitadoras) es del 0%.*

*La Gestora de inversiones no considera (por ejemplo, abordar, evitar o mitigar) los indicadores de principales incidencias adversas («PIA») sobre los factores de sostenibilidad, sin embargo, se consideran en la parte de inversiones sostenibles según los indicadores PIA del anexo 1 del Reglamento Delegado (UE) 2022/1288 (RTS).*

*Incluso utilizando proveedores de datos especializados para acceder a los datos PIA de la inversión, la cobertura de los datos necesarios para los indicadores PIA es heterogénea y, en algunos casos, deficiente o inexistente. Debido a la falta de datos, es factible que el gestor de productos no pueda evaluar ahora algunos PIA de inversión.*

## **b. Sintesi**

*L'obiettivo di investimento di questo prodotto finanziario (il Comparto) è quello di ottenere una rivalutazione del capitale a lungo termine attraverso investimenti selezionati in equity quotati di società che sviluppano soluzioni rispettose del clima e dell'ambiente, come le energie rinnovabili e l'efficienza delle risorse, e che sembrano offrire prospettive di crescita e di investimento superiori.*

Il Comparto è classificato come prodotto ai sensi dell'articolo 8 del Regolamento SFDR. Il Comparto viene gestito per promuovere, tra le altre caratteristiche, una combinazione di caratteristiche ambientali e sociali (come definite nell'articolo 8 della SFDR) e destinerà, inoltre, una proporzione minima del 20% del suo patrimonio netto in investimenti sostenibili come definiti dalla SFDR.

*L'Investment Manager integra i rischi e le opportunità legati alla sostenibilità nelle sue ricerche, nelle analisi e nei processi decisionali di investimento. Per maggiori informazioni sulla politica ESG dell'Investment Manager, visita il sito <https://www.march-am.com/es/nosotros/inversion-sostenible-y-responsable/>.*

*Nell'ambito di questa politica, gli investimenti del Comparto vengono effettuati in base a criteri predeterminati di esclusione o limitazione del settore. Di norma, il Comparto si oppone e, di conseguenza, limita gli investimenti in società le cui attività principali sono legate alla fabbricazione di armi controverse, carbone termico, tabacco, contenuti per adulti, gioco d'azzardo, OGM e alcol. L'Investment Manager applica criteri di screening per controllare che le partecipazioni in portafoglio siano conformi ai suoi criteri di esclusione.*

*Al fine di promuovere una combinazione di caratteristiche ambientali e sociali (come definite nell'articolo 8 della SFDR), l'Investment Manager monitorerà le caratteristiche e gli indicatori di sostenibilità delle società in cui il Comparto può investire, sia direttamente che attraverso provider terzi. Tali caratteristiche e indicatori sono legati a questioni ESG rilevanti che potrebbero influire sulla reputazione dell'azienda, sui rischi a lungo termine derivanti dal cambiamento climatico, su considerazioni etiche, sulla compliance normativa, sulle esternalità, ecc. come la concussione e la corruzione, l'intensità di carbonio nelle proprie operazioni, le emissioni, gli scarichi idrici, l'uso intensivo dell'acqua, la governance aziendale, l'indipendenza e la composizione del consiglio di amministrazione, nonché le relazioni con la comunità.*

*Il Comparto monitorerà l'impatto che i rischi ESG potrebbero avere sul valore economico delle società target a causa dei fattori ESG e le classificherà in una delle cinque categorie di rischio: trascurabile, basso, medio, alto e grave. Sebbene la strategia di investimento non escluda le società che, in un determinato momento,*



*potrebbero avere un basso rating ESG, ma che sono state accettate dall'Investment Manager per il loro potenziale di miglioramento, il volume totale delle società con un rischio ESG elevato o grave non supererà mai il 25% del portafoglio totale.*

*Le società in cui investe il Comparto si atterranno a buone pratiche di governance. L'obiettivo principale della governance è quello di proteggere il valore dell'azienda. I team di gestione devono perseguire obiettivi simili a quelli dei piccoli azionisti. L'Investment Manager cercherà team di gestione che siano completamente allineati agli obiettivi di tutti gli azionisti. Nello specifico, le variabili chiave considerate nella valutazione delle pratiche di governance dei team di gestione e dei consigli di amministrazione sono l'allineamento degli interessi, l'esperienza di gestione dell'azienda, le competenze, la diversità, la strategia, il rischio di controversie e la corruzione.*

*Inoltre, il Comparto parteciperà attivamente alle società in cui investe, esprimendo il proprio voto sulle azioni e partecipando a società selezionate (direttamente o tramite provider terzi).*

*Oltre a promuovere le caratteristiche ambientali e sociali predette, il Comparto si impegna a effettuare investimenti sostenibili. Gli investimenti classificati come "sostenibili" ai sensi della SFDR e gli investimenti in attività economiche che possono essere considerate sostenibili dal punto di vista ambientale, come da definizione del Regolamento Tassonomia, rappresenteranno almeno il 20% del portafoglio, senza compromettere in modo significativo alcun obiettivo sociale o ambientale, e garantiranno che le società partecipate seguano le buone pratiche di governance.*

*Il processo di identificazione dei principali impatti avversi (quelli che potrebbero compromettere in modo significativo un obiettivo ambientale o sociale (valutazione DNSH)) viene effettuato al momento della selezione delle attività in cui investire. Questo si fonda su criteri interni di esclusione o limitazione, come descritto in precedenza, e sull'analisi basata sulle norme del Patto Mondiale delle Nazioni Unite. Il Patto Globale delle Nazioni Unite (di cui March AM è partner) è un'iniziativa internazionale che incoraggia le società a integrare nelle loro strategie e operazioni 10 principi universali sui diritti umani, sul lavoro, sull'ambiente e sulla lotta alla corruzione, nonché ad agire in maniera tale da promuovere gli obiettivi sociali e l'implementazione degli SDG. In aggiunta a questo screening negativo, l'Investment Manager considera, avvalendosi di dati forniti da provider esterni, il livello di controversie delle società in cui il Comparto investe. In questo senso, per le società che l'Investment Manager considera investimenti sostenibili, ammetterà solo un livello di controversie basso o moderato ed escluderà da questa parte di investimenti sostenibili tutte le società*



*con un livello di controversie significativo, elevato o grave.*

*Le società partecipate si atterranno a buone pratiche di governance. L'obiettivo principale della governance è quello di proteggere il valore dell'azienda. I team di gestione devono perseguire obiettivi simili a quelli dei piccoli azionisti. L'Investment Manager cercherà team di gestione che siano completamente allineati agli obiettivi di tutti gli azionisti. Nello specifico, le variabili chiave considerate nella valutazione delle pratiche di governance dei team di gestione e dei consigli di amministrazione sono la qualità e l'integrità, la struttura, la proprietà e i diritti degli azionisti, la remunerazione, l'audit e la rendicontazione finanziaria, nonché la governance degli stakeholder. Per questa valutazione verranno utilizzati dati di terze parti provenienti da provider di alta qualità. In tal senso, tra le società che il l'Investment Manager considera investimenti sostenibili, prenderà in considerazione solo quelle la cui gestione è classificata come eccellente, superiore alla media o nella media, escludendo quelle classificate come scadenti o inadeguate.*

*In conformità al Regolamento Tassonomia, il Comparto non intende investire in attività sostenibili allineate alla Tassonomia UE e pertanto l'impegno minimo in investimenti di questo tipo (comprese le attività transitorie e di facilitazione) è pari allo 0%.*

*L'Investment Manager non prende in considerazione (ad esempio per affrontarli, evitarli o mitigarli) gli indicatori PAI (Principal Adverse Impact) sui fattori di sostenibilità, tuttavia essi sono considerati nella parte relativa agli investimenti sostenibili in base agli indicatori PAI di cui all'Allegato 1 del Regolamento Delegato UE 2022/1288 (RTS).*

*Pur avvalendosi di provider specializzati per accedere ai dati PAI di investimento, la copertura dei dati richiesti per gli indicatori PAI è eterogenea e, in alcuni casi, insufficiente o inesistente. A causa della mancanza di dati, l'Investment Manager potrebbe non essere in grado di valutare alcuni PAI sugli investimenti.*

## **a. Resumo**

*O objetivo de investimento deste produto financeiro (o Subfundo) é alcançar uma revalorização do capital a longo prazo através de investimentos selecionados em títulos de rendimento variável cotados de empresas que desenvolvem soluções amigas do clima e do ambiente, tais como energias renováveis e eficiência na utilização dos recursos, e que parecem oferecer perspectivas de crescimento e investimento superiores.*

*O Subfundo é classificado como um produto em conformidade com o artigo 8.º do Regulamento SFDR. O Subfundo é gerido para promover, nomeadamente, uma combinação de características ambientais e sociais (tal como previsto no artigo 8.º do SFDR) e deve, além disso, investir uma proporção mínima de 20% dos seus ativos líquidos em investimentos sustentáveis, conforme a definição do SFDR.*

*A Sociedade Gestora integra riscos e oportunidades de sustentabilidade nos seus processos de pesquisa, análise e tomada de decisões de investimento. Para obter mais informações sobre a política ASG da Sociedade, consulte <https://www.march-am.com/es/nosotros/inversion-sostenible-y-responsable/>.*

*No âmbito da sua política de investimento, os investimentos do Subfundo são efetuados de acordo com critérios predeterminados de exclusão ou limitação de setores. Regra geral, o Subfundo opõe-se e, por conseguinte, limita o investimento em empresas cuja atividade principal esteja relacionada com o fabrico de armas controversas, carvão térmico, tabaco, conteúdos para adultos, jogos de azar, OGM e álcool. A Sociedade Gestora aplica critérios de seleção para verificar se as posições na carteira cumprem os seus critérios de exclusão.*

*A fim de promover uma combinação de características ambientais e sociais (tal como previsto no artigo 8.º do SFDR), a Sociedade Gestora deve acompanhar as características e os indicadores de sustentabilidade das empresas em que o Subfundo investir, tanto diretamente como através de fornecedores terceiros. Essas características e indicadores estão relacionados com questões ASG relevantes que podem afetar a reputação da empresa, riscos de longo prazo como resultado das mudanças climáticas, considerações éticas, conformidade regulatória, externalidades, etc., como suborno e corrupção, intensidade de carbono nas próprias operações, emissões, descargas de água, consumo intensivo de água, governança corporativa, independência e composição do conselho e relações com a comunidade, entre outros.*

*O Subfundo monitorizará o impacto dos riscos ESG no valor económico das empresas-alvo como resultado de fatores ASG e classificá-los-á numa das cinco categorias de risco: insignificante, baixo, médio, alto e baixo. Embora a estratégia de investimento não exclua as empresas que possam ter classificações ASG baixas num*

*determinado momento, mas foram aceites pela Sociedade Gestora pelo seu potencial de melhoria, o volume total de empresas com risco ASG alto ou severo nunca pode exceder 25% da carteira total.*

*As empresas em que o Subfundo investe aderirão às práticas de boa governança. O objetivo principal da governança é proteger o valor da empresa. As equipas de gestão devem procurar alcançar objetivos semelhantes aos do pequeno acionista. A Sociedade Gestora procurará equipas de gestão totalmente alinhadas com os objetivos de todos os acionistas. Em particular, as principais variáveis tidas em conta na avaliação das práticas de governação das equipas de gestão e dos conselhos de administração são o alinhamento de interesses, o historial como gestor, as competências, a diversidade, a estratégia, os riscos de litígio e a corrupção.*

*Além disso, o Subfundo participará ativamente nas empresas em que investe, votando em ações e participando em empresas selecionadas (diretamente ou através de fornecedores terceiros).*

*Para além de promover as características ambientais e sociais acima referidas, o Subfundo comprometer-se-á a realizar investimentos sustentáveis. Os investimentos classificados como "sustentáveis" de acordo com o SFDR e os investimentos em atividades económicas que possam ser consideradas sustentáveis do ponto de vista ambiental, tal como definido no Regulamento de Taxonomia, constituirão pelo menos 20% da carteira, não prejudicarão significativamente quaisquer objetivos sociais ou ambientais e assegurarão que as empresas em que o investimento é efetuado seguem práticas de boa governação.*

*O processo de identificação dos principais impactos adversos [aqueles que podem prejudicar significativamente um objetivo ambiental ou social (avaliação DNSH)] é realizado quando da seleção dos ativos nos quais investir. Para o efeito, são utilizados critérios internos de exclusão ou limitação, tal como acima descrito, e uma análise baseada em regras, fundamentada no Pacto Global das Nações Unidas. O Pacto Global das Nações Unidas (do qual a March AM é parceira) é uma iniciativa internacional que incentiva as empresas a incorporarem 10 princípios universais relacionados com os direitos humanos, trabalho, meio ambiente e anticorrupção nas suas estratégias e operações, bem como a atuarem de forma a promover metas sociais e a implementação dos ODS. Além desta seleção negativa, a Sociedade Gestora tem em conta, com recurso a dados de fornecedores externos, o nível de controvérsias das empresas em que o Subfundo investe. Assim, para as empresas que a Sociedade Gestora considera investimentos sustentáveis, apenas tolerará um nível baixo ou moderado de controvérsia e excluirá todas as empresas desta parte do investimento sustentável*

*com um nível significativo, elevado ou grave de controvérsia.*

*As empresas investidas aderirão a práticas de boa governança. O objetivo principal da governança é proteger o valor da empresa. As equipas de gestão devem procurar alcançar objetivos semelhantes aos do pequeno acionista. A Sociedade Gestora procurará equipas de gestão totalmente alinhadas com os objetivos de todos os acionistas. Em particular, as variáveis chave tidas em conta na avaliação das práticas de governança das equipas de gestão e dos conselhos de administração são a qualidade e a integridade, a estrutura, a titularidade e os direitos dos acionistas, a remuneração, a informação financeira e de auditoria e a governação das partes interessadas. Dados de terceiros de fornecedores de alta qualidade serão utilizados para esta avaliação. Dentro das empresas que a Sociedade Gestora considera investimentos sustentáveis, terá em conta apenas aquelas cuja gestão é classificada como Líder, Superior ou Mediocre, excluindo aquelas classificadas como Insuficiente ou Retardatária.*

*Em conformidade com o Regulamento de Taxonomia, o Subfundo não tenciona investir em investimentos sustentáveis alinhados com a taxonomia da UE, pelo se considera que o compromisso mínimo de investimentos alinhados com a taxonomia (incluindo atividades transitórias e de habilitação) é 0%.*

*A Sociedade Gestora não considera (por exemplo, abordar, evitar ou atenuar) os indicadores de principais impactos negativos (PIN) sobre os fatores de sustentabilidade. Contudo, estes são considerados na parte relativa aos investimentos sustentáveis, de acordo com os indicadores PIN constantes do anexo 1 do Regulamento Delegado (UE) 2022/1288 (NTR).*

*Mesmo utilizando fornecedores de dados especializados para aceder aos dados PIN do investimento, a cobertura dos dados necessários para os indicadores PIN é heterogénea e, em alguns casos, pobre ou inexistente. Devido à falta de dados, é viável que o gerente de produto não seja capaz de avaliar alguns PIN de investimento neste momento.*

**c. No sustainable investment objective**

*This financial product 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 20% of sustainable investments with:*

- a. an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy, and;*

b. a social objective.

**d. Environmental or social characteristics of the financial product**

*Each asset in the portfolio has its environmental and social features examined as part of the investment process, providing each asset and the aggregated portfolio with an internal ESG rating. This internal rating, which is based on the degree of promotion of each individual asset comprising the portfolio, is obtained using data and methodology from leading ESG providers. Among other features, this financial instrument promotes:*

a. *Environmental features: Environmentally sound governance and processes are important, as are sustainable resource utilization. The Sub-Fund aims to invest in companies whose significant proportion of their activities (as measured by turnover, enterprise value, earnings before income and tax, or similar metrics) are related, but not limited to: renewable energy, technologies that reduce CO2 emissions or energy consumption in areas such as industry, buildings or transportation, and enabling technologies and infrastructure that are critical preconditions for the transition to a low carbon economy, such as energy storage, power semiconductors, power grid, etc.*

b. *Social features: It promotes better employee relationships and working conditions, skill-enhancing training, and a reduction in accidents. Furthermore, it encourages improvements in the customer experience and accountability in the effects the company's product has on its customers and its products.*

*A wide range of sustainable indicators are considered at the environmental level such as energy efficiency targets, use of renewable energies, total energy consumption, water consumption efficiency target, recycled water ratio, greenhouse gas emissions, waste treatment, indirect cost of supplier emissions, degree of environmental impact of products, environmental investments, environmental risk analysis and existing environmental risk policies, and the existence and analysis of the company's environmental team and its training.*

*On a social level, we consider not only objectives linked to the company and its environment but also to the rest of the stakeholders. The main sustainable indicators used on the social side are the existence of union policies and representation, training hours, employee days lost vs. total days, employee satisfaction, flexible working hours, remuneration and working conditions, employee turnover, occupational accident rate, occupational fatality rate, occupational health and safety incidents, diversity among its employees, employees with disabilities, rate of women in the company and among the management team, level of satisfaction among its customers, privacy policies, the existence of supplier management policies, the existence of whistleblowing policies, company community involvement projects and employment and local impact.*

**e. Investment strategy**

*The Sub-Fund's investment strategy follows a model based on fundamental analysis of each of the companies comprising the portfolio. This analysis integrates ESG factors through active and direct contact with the companies, as well as through the exercise of voting rights inherent to the position in each of the companies according to ESG criteria.*

*The company's investment process conducts an extra-financial examination analysis in accordance with ESG standards. In this regard, it should be noted that March AM is a signatory of the United Nations Principles for Responsible Investment, through which it commits to:*

- a. *incorporate ESG risks in the decision-making process;*
- b. *be an active shareholder through the exercise of its voting rights;*
- c. *promote the disclosure of ESG policies by the companies in which it invests;*
- d. *promote the acceptance and implementation of the UNPRI in the investment sector;*
- e. *work collaboratively to increase the effectiveness of the application of the UNPRI; and*
- f. *publish regular reports on activities and progress in the application of the principles.*

*Additionally, March AM is a signatory member of the UN Global Compact and actively works to advance sustainability. The company has pledged to develop and convert its products to promote sustainable investing with the goal of more responsible returns and greater integration of risks derived from ESG factors.*

*For voting rights exercise, March AM relies on the expertise of highly respected and knowledgeable proxy voting advisors.*

*This product applies, in its investment strategy, exclusion criteria based on March AM's exclusion policy currently in effect for SRI products, which is based on three main blocks and considers environmental and social aspects and indicators in addition to extra-financial analysis carried out to choose the assets that are part of the product portfolio.*

- I. General exclusion policy: The excluded activities are controversial weapons, tobacco, and thermal coal (each of the activities are excluded based on specific thresholds set out in the March AM Exclusions Policy, published on the website [www.march-am.com](http://www.march-am.com)). At the same time, the firm engages in the analysis of activities under oppressive regimes.*
- II. Exclusion policy for SRI products: In addition to the general policy, adult content/pornography, gambling/gaming, and GMOs. Alcohol exposure and the existence of a responsible drinking policy are excluded as well (each of these activities are excluded based on specific limits set out in the March AM Exclusions Policy, published on the website <https://www.march-am.com>).*
- III. Lastly, March AM conducts a norm-based analysis to determine whether the company complies with the 10 principles of the United Nations Global Compact for each of the four categories comprising the pact (Human Rights, Labor, Environment, and Anti-Corruption), given the fact that the company is a signatory partner of the UNGC. Based on this analysis, companies that display evidence of violating one or multiple principles are eligible for exclusion.*

*Investment Universe: The Sub-Fund will seek to invest in companies whose significant proportion of their activities are related, but not limited to: renewable energy, technologies that reduce CO2 emissions or energy consumption in areas such as industry, buildings or transportation, and enabling technologies and infrastructure that are critical preconditions for the transition to a low carbon economy, such as energy storage, power semiconductors, power grid, etc.*

*Asset allocation is based on an in-house fundamental analysis. For this purpose, the Firm analyze the Investee's Annual and Periodic Financial Reports (Annual Reports, Balance Sheet, Annual Accounts, Cash Flow Statements, etc.), as well as the main Non-Financial Reports of the companies. Additionally, the governance structure and controversies surrounding the corporation are examined.*

*Furthermore, Fund's Investment Managers hold regular meetings with investees' companies. ESG matters, in addition to purely financial factors, are frequently discussed in the aforementioned meetings to analyze the development, commitment and vocation for improvement of these, as well as the measures taken by the investees in this regard.*

*In order to promote a combination of both social and environmental product characteristics in accordance with Art.8 of SFDR, the investment strategy aims to benefit companies with strong ESG ratings while detracting from and/or reducing the portfolio weight of companies with poor ESG ratings. The rating is based on an in-house ESG analysis, which uses top-tier external providers' data as a source, complemented with the managers' fundamental view.*

*March AM's proprietary valuation model is one of the key factors, along with the conviction degree and a thorough examination of the investees' business model and management teams, when deciding whether to buy or sell an asset and its weight in the fund's portfolio. In this sense, the investment manager will monitor how ESG risks could impact the target companies economic value as a result of ESG factors and will classify them into one of five risk categories: negligible-low-medium-high and severe. Although the investment strategy does not exclude companies that could at any given time show weak ESG ratings and accepted by the investment manager as potential improvers, the total amount of companies with high and/or severe ESG risk will never exceed 25% of the total portfolio.*

*The management team's internal knowledge acquired from fundamental bottom-up analysis of the companies is integrated into the investment process together with ratings from specialized ESG data and information providers. Due diligence is applied when selecting and contracting these external suppliers, looking for both extensive experience and a solid reputation in the field in which they specialize.*

*The ESG rating given to corporations on each of the environmental, social, and corporate governance components are standardized, resulting in an aggregate ESG rating that has a favorable or negative impact on the company's upside revaluation potential.*

*When the company's valuation is considerably harmed, companies with a low ESG rating will either have their portfolio weight reduced or be sold. Thus, those companies that develop good ESG policies are rewarded in the portfolio and those with poor policies are penalized since the upside potential significantly determines, among other factors, the decision to buy or increase weight in the portfolio (if the potential is high enough) or the decision to sell or reduce the weight (if the appreciation potential is low).*

*In accordance with article 8 of the SFDR, at least 50% of the fund's assets will promote environmental or social features; such sustainability promotion will be based on a March AM ESG rating of 25 or less out of 100. (The best possible rating is 1, while a 100 is the worst). In other words, at least 50% of the portfolio's assets will be rated at or below 25.*

**f. Proportion of investments**

*March Climate Solutions' asset allocation follows the following criteria:*

- a. All companies included in our funds will adhere to the exclusion criteria listed in this document as a binding requirements.*
- b. In accordance with article 8 of the SFDR, at least 50% of the fund's assets will promote environmental or social features; such sustainability promotion will be based on a March AM ESG rating of 25 or less out of 100. (The best possible rating is 1, while a 100 is the worst). In other words, at least 50% of the portfolio's assets will be rated at or below 25.*
- c. At least 20% of total portfolio assets shall considered as sustainable investments according to SFDR following point g of this document.*

*The Sub - Fund does not currently intend to invest in sustainable investments that are aligned with the EU Taxonomy and the minimum share of taxonomy-aligned investments (including transitional and enabling activities) is therefore assessed to be 0%.*

*This financial product 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 20% of sustainable investments with:*

- a. an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy, and;*
- b. a social objective.*



*The Investment Manager considers but do not commit to a “specific” minimum share of environmentally Sustainable Investments that are not aligned with the EU Taxonomy, as the 20% minimum proportion committed refers to the combination of all the above-mentioned objectives. For the same reasons, The Investment Manager considers but do not commit to a “specific” minimum share of socially sustainable investments.*

*According to March AM, there may be a percentage of the portfolio (up to 50%) that has an ESG rating higher than 25, which means that it does not promote environmental or social features and may or may not have strong governance. It should be highlighted that this part of the portfolio will faithfully comply with the exclusion criteria set out in the point d of this.*

*The purpose of these investments is to contribute to the long-term performance of the fund and an ongoing analysis will be made of their ESG risks and their evolution therein. In the long term, the percentage of this section may be reduced, as companies that do not align and improve will eventually be excluded due to the risks they may incur (reputational, litigation, sanctions, etc.).*

**g. Monitoring of environmental or social characteristics**

*The monitoring of environmental and/or social characteristics will be made at the starting point of the extra-financial analysis of a potential investment decision (ex-ante) and, once the investment decision is taken, will be frequently monitored embedded and through our proprietary (March AM) ESG rating tool (which considers between other those characteristics) based on first class third party ESG data providers (for more information please check point h of this document).*

**h. Methodologies**

*The product commits to hold sustainable investments in its portfolio as defined by the Sustainability Disclosure Regulation (EU) 2019/2008 (SFDR). Investments classified as sustainable that follow this regulation reach a minimum of 20% of the portfolio. They are investments that, in accordance with the regulation's definition, contribute to one or multiple environmental or social goals, do not do significant harm to any other environmental or social objectives, and adhere to good corporate governance principles.*

*For this product, investments must fulfill one of the requirements listed below in order to be deemed sustainable:*

- a. Their involvement in a well-defined GHG emissions reduction strategy aligned with the goals of the Paris Agreement; we use the worldwide project "Science Based Targets Initiative (SBTi)" to select these investments. SBTi is a partnership between the World Resources Institute (WRI), the UN Global Compact, the Carbon Disclosure Project (CDP), and the World Wildlife Fund for Nature (WWF). The SBTi initiative:*
- defines and promotes best practices in emissions reduction and net-zero emissions targets, in line with climate science.*
  - provides technical assistance and expert resources to companies setting science-based targets (SBTs).*
  - brings together a team of specialized experts to provide companies with independent advice and technical validation of their objectives.*
  - is the Business Ambition for 1.5°C campaign lead partner, which is an urgent call to action from a worldwide coalition of UN agencies, business and industry leaders that aims to mobilize enterprises to establish net-zero SBT targets aligned with a 1.5°C future.*

*The fund selects investments that have a reduction target in place or are committed to reducing their GHG emissions in accordance with the Paris Agreement targets. Additional information on the SBTi initiative can be found on the following website: <https://sciencebasedtargets.org>.*

- b. Have a measurable impact within the framework of the 17 Sustainable Development Goals (SDGs), which are designed to spearhead the eradication of poverty and other forms of deprivation by enhancing health and education, reducing inequality, safeguarding the environment, and boosting prosperity. The selection process is based on the analysis of companies whose activity, management model and results are aimed at mitigating general social problems and the planet's resource sustainability identified by the SDGs. The degree of alignment with each of the 17 SDGs is monitored through data from external suppliers of recognized solvency; at the same time, the percentage of company revenues directly linked to the SDGs is analyzed.*



- c. *Measurable impact indicators: Specific metrics related to SDG activities are regularly examined and monitored (using data from top-tier knowledgeable and established creditworthiness suppliers). These metrics are analyzed at the company level and gauge the success or failure of the organization's operational or governance practices. Water resource usage, Scope 1 & 2 emissions intensity, or lost time injury rate are a few examples of operational measures.*

*The process of identifying the associated key adverse impacts-those that can do significant harm to any environmental or social objective (DNSH under SFDR)-is undertaken at the time of selecting assets in which to invest. The above-mentioned internal exclusion criteria and norm-based analysis based on the UN Global Compact serve as the foundation for this screening. The UN Global Compact- March AM is a signatory partner of it- is a global initiative that encourages companies to act in a way that advances social objectives and the implementation of the SDGs by incorporating 10 universal principles relating to human rights, labor, the environment, and anti-corruption into their corporate and operational strategies.*

*The fund only considers sustainable investments for those companies with a low or moderate level of controversies, excluding from this part of sustainable investments all companies with a significant, high, or severe level of controversies. In addition to this negative screening, we consider the level and importance of controversies produced by the companies invested by the portfolio using data from external providers.*

*The companies in which the portfolio has investments exercise solid corporate governance. Protecting the company's value is our highest priority when it comes to governance. In our view, a management team must have objectives aligned with those of its minority shareholders. The fund manager should analyze the alignment of companies' management teams and boards of directors with the shareholders.*

*More specifically, key variables considered when analyzing the governance practices of the management teams and boards of the companies analyzed would be quality & integrity, structure, ownership & shareholder rights, remuneration, audit and financial reporting and stakeholder governance. Reputable third-party data providers are used to carry out the analysis. Except for those categorized as "underperformers" or "laggards," only companies whose governance is assessed as "leader," "outperformer," or "average performance" will be considered as companies that the fund manager deems to be sustainable investments.*

*This financial product does not weigh in (addresses, avoids, and/or mitigates) on the main adverse impacts on sustainability factors (PAI indicators) however, they are considered in the sustainable investments part according to the PAI indicators in Annex 1 of the Delegated Regulation (EU) 2022/1288 (RTS).*

*The Investment Manager's sustainable minimum exclusion list screens out companies based on their involvement in controversial practices against international norms. The core normative framework consists of the Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights and are embedded in the Sustainable Development Goals.*

## **i. Data sources and processing**

*Data sources:*

*In order to face the main objectives set out in its Sustainability Strategy, March AM has developed a number of agreements with first class ESG data, research and processes providers focussed in:*

- *ESG data, rating and research providers integrating (per company and universe & portfolio aggregated)*
  - *ESG Rating*
  - *Controversies analysis*
  - *Governance analysis*
  - *Product involvement (exclusion) analysis*
  - *Norms based analysis (global standards screening)*
  - *EU Taxonomy analysis*
  - *SDG impact metrics analysis*
- *Proxy voting worldwide first class provider which allows*
  - *The analysis of all shareholder meetings regarding all holdings in March AM's equity products*
  - *Shareholder vote analysis , decision and execution through a unified platform*
- *Fund of funds look-through data provider*

*Processing:*

*March AM has developed, through its risk control department, an internal ESG tool which integrates and processes the data of the ESG data providers mentioned and which results in a proprietary March AM's ESG rating system which facilitates the Fund management team the necessary extra financial analysis. This tool integrates into one single interface the ESG rating, controversies analysis, governance analysis, exclusion analysis, norms-based analysis, taxonomy alignment, SDG alignment, PAI analysis and fund of funds portfolio look-through analysis. This analysis is done at both the investible universe and at each particular financial product levels. Additionally, this tool allows for an ex-ante ESG analysis, previous to each investment decision and the control performed by March AM's risk control & compliance department which guarantees the compliance of our legal obligations according to SFDR.*

**j. Limitations to methodologies and data**

*While every effort has been made to ensure that the data obtained and processed is accurate and adequate, we must mention that our sources of information are mainly based on third party data providers which contain not only raw official data provided by companies and governments but also may contain estimates and forecasts and, therefore, may not be free of error.*

*In the specific case of PAI, even using specialized data providers to access the investment's PAI data, the coverage for the data required for the PAI Indicators is heterogenous and in some cases poor or inexistent. The Sub-Fund's Investment Manager will strive to increase data coverage for PAI Indicators with low data coverage. The Investment Manager will regularly evaluate whether the availability of data has increased sufficiently to potentially include assessment of such data in the investment process.*

*The methodologies considered by March AM to promote sustainability, select sustainable ideas (according to SFDR), consider taxonomy aligned activities, target non-compliant companies, analyze controversies and exclude potential investments can quickly change as the regulation is advancing and potentially changing in a very dynamic way; additionally some of the data we use to perform our analysis and /or take ESG based investment decisions could be inaccurate or not properly updated although we will do our best to ensure its accuracy, consistency and in date.*

*We must mention that these limitations mentioned do not affect in our view how the environmental or social characteristics promoted by the financial product are met.*

**k. Due diligence**

*March AM's risk control & compliance department supervises the compliance of our legal obligations according to SFDR and the accomplishment of the ESG characteristics promoted by this financial product. As we mentioned before, March AM has developed, through its risk control department, an internal ESG tool which integrates and processes the data of the ESG data providers resulting in a proprietary March AM's ESG rating and information system which not only facilitates the Fund management team the necessary extra financial analysis but allows the due control performed by March AM's risk control & compliance department. This guarantees the compliance of our legal obligations according to SFDR. This tool allows for*

*a very tight control (even daily) of our legal and ESG obligations. Additionally, our external auditor supervises how the ESG characteristics of this product are met on a periodic (mainly yearly) basis.*

**i. Engagement policies**

*Engagement is not specifically part of the environmental or social investment strategy of this product. Nevertheless, March AM, in its firm intention to evolve towards a sustainable economy in which long-term profitability is combined (with an adequate level of risk) with environmental protection, social justice and influence in the best decision-making in the companies in which March AM products invest, establishes in its engagement policy the long-term involvement in the companies/issuers in which it invests. We believe that open informal dialogue with issuers can enhance our investment process and allow us to adequately manage the long-term risks of the portfolios, through promoting ESG practices in the companies in which we invest on behalf of our clients. We try to apply that informal dialogue to both equity and fixed income portfolio companies (on a best efforts basis). Through dialogue and involvement with the companies in which it invests, March AM seeks to understand in depth the business model of the companies, their risks and their opportunities and, on the other hand, to promote change in order to improve the strategy, management and reporting of material environmental, social and governance aspects for each company, which in our view contributes to protecting the value of March AM's investments. In general, March AM opposes investment in companies or states that incur in reprehensible practices that violate international treaties. The integration of ESG criteria in investment analysis and processes is compatible with the establishment of exclusion criteria for certain areas of activity. In the event that any issuer holds a very high level of controversies together with a very negative ESG rating, but that is in the portfolios of March AM, the manager (direct or indirectly) will promote (in a best efforts basis) an open informal dialogue with the issuers adopting in each case the appropriate method aimed at the adoption of the necessary measures to modify the practices or controversial activities, being able to divest in case of incompatibility of the activities carried out by the issuer with the aspects indicated in this policy.*

**m. Designated reference benchmark**

*No specific index has been defined to determine the alignment of the product with these characteristics.*