

ANNEX IV

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

Product name: PHARUS SICAV - TARGET

Legal entity identifier: 5493005S307U05UDVQ16

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☒ ☐ Yes

☐ It made **sustainable investments 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

☐ It made **sustainable investments with a social objective:** ____%

☒ ☐ No

☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 60.7% of sustainable investments

☐ with an environmental objective in economic activities that 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

☒ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

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.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators used to measure the attainment of each of the social and environmental characteristics promoted by the financial product confirmed that the environmental and/or social characteristics have been fully met.

The **Sustainability indicators** are:

1. **ESG ratings**, that are defined relying on industry leading data providers.
The Portfolio average ESG RATING cannot fall below average (or ESG Rating B) in a scale from high+ to low-.

2. The **compliance** of the target investments **to exclusion criteria** related to **social** characteristics promoted by the financial product. The exclusion criteria applied to the investment universe are aimed to exclude companies (1) involved in controversial weapons production (in details are excluded companies involved in production of anti-personnel mines, production of cluster weapons, production of depleted uranium, production of white phosphorus, whose revenues deriving from the production of biological and chemical weapons are higher than 5%, whose revenues deriving from the production of nuclear weapons are higher than 5%), (2) whose revenues deriving from the tobacco production is higher than 5%; (3) whose revenues deriving from adult entertainment sector is higher than 5%; (4) whose revenues deriving from gambling sector is higher than 5%; (5) which do not respect the principles of United Nation Global Pact.

The sustainability indicators are not subject to an assurance by auditors nor third-party review.

Sustainable Investments:

Investments that comply with the exclusion criteria and that have a strong ESG Rating are considered Sustainable Investments and should be at least 55% of the whole Portfolio.

Considering that exclusion criteria are related to social characteristics promoted by the financial product, the 100% of the Sustainable Investments should be Social Investments, which means that at least 55% of the Portfolio's net asset value should be Sustainable Social Investments.

● **How did the sustainability indicators perform?**

1. **ESG RATING INDICATOR:** PORTFOLIO AVERAGE ESG RATING: B+
2. **EXCLUDING CRITERIA INDICATOR:** Securities not compliant to the excluding criteria: 0.32% of the Portfolio's net asset value.
3. **Sustainable Investments:** 60.7% of the Portfolio's net asset value
 - 3.1. **Sustainable Social Investments:** 60.7% of the Portfolio's net asset value

● **...and compared to previous periods?**

INDICATORS AS OF 29.12.2023:

1. **ESG RATING INDICATOR:** PORTFOLIO AVERAGE ESG RATING: B+
2. **EXCLUDING CRITERIA INDICATOR:** SECURITIES NOT COMPLIANT TO THE EXCLUDING CRITERIA: 0.3% of the Portfolio's net asset value. These securities were bought before the entering into force of the SFDR regulation and will be sold as soon as possible in the best interest of the shareholders.
3. **Sustainable Investments:** 78.03% of the Portfolio's net asset value
 - 3.1. **Sustainable Social Investments:** 78.03% of the Portfolio's net asset value

INDICATORS AS OF 30.12.2022:

1. **ESG RATING INDICATOR:** PORTFOLIO AVERAGE ESG RATING: A
2. **EXCLUDING CRITERIA INDICATOR:** 0% SECURITIES NOT COMPLIANT TO THE EXCLUDING CRITERIA.
3. **Sustainable Investments:** 78.00% of Portfolio's net asset value.
 - 3.1. **Sustainable Social Investments:** 78.00% of Portfolio's net asset value.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The objectives of the sustainable investments that the financial product partially intends to make is to promote peaceful, just and inclusive societies, avoiding the exposure to such companies involved in controversial weapons production, tobacco production, adult entertainment, gambling sector, violation of United Nation Global Pact, as per the internal ESG policy defined. The investments of the financial product will be limited to issuers evidencing a strong Sustainability rating and which follow good governance practices as defined below.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

The sustainable investments that the financial product partially intends to make do not cause significant harm to any social sustainable investment objective as the product cannot invest in companies involved in the abovementioned activities according to the analysis and monitoring of PAI.

— ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The PAI are monitored with the close support of an ESG advisor that provides the financial product with a complete report on a quarterly basis with all the information regarding the invested companies and their characteristics.

Furthermore, PAI number 10 and 14 are included in the excluding criteria and therefore integrated into the investment strategy of the financial product.

Description of PAI	Number of indicator (Table 1)
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	10
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	14

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

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.

YES, compliance to the exclusion criteria also considers the respect/alignment with the OECD and the UNGC.

0% of the financial product is not compliant with UNGC and OECD principles

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

This financial product monitors PAI with the support of an ESG Advisors that produces, on a quarterly basis, a complete report that illustrates the PAI and the results for the Portfolio. Data are collected from an external info provider and subsequently processed to obtain the Portfolio analysis that take into account all the constituents and their impact on the PAI in order to have a complete picture of the situation. Furthermore, PAI number 10 and 14 are included in the excluding criteria and therefore integrated into the investment strategy of the financial product.

Description of PAI	Number of indicator (Table 1)	Effect (average of the four Quarters End of 2023)	Effect (average of the four Quarters End of 2024)
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	10	0,00% Share of Investments in investee companies that have been involved in violations of the UNGC principles for OECD Guidelines for Multinational Enterprises Sum of companies weight that have been involved in violations of the UNGC principles for OECD Guidelines for Multinational Enterprises	0,00% Share of Investments in investee companies that have been involved in violations of the UNGC principles for OECD Guidelines for Multinational Enterprises Sum of companies weight that have been involved in violations of the UNGC principles for OECD Guidelines for Multinational Enterprises
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	14	0,00% % Share of investments in investee companies involved in the manufacture or selling of controversial weapons Sum of companies weight companies involved in the manufacture or selling of controversial weapons.	0,00% % Share of investments in investee companies involved in the manufacture or selling of controversial weapons Sum of companies weight companies involved in the manufacture or selling of controversial weapons.



What were the top investments of this financial product?

The top investments and their percentage weights have been determined by computing the average of market values at each quarters' end for the whole duration of the reference period.

Largest investments

Sector

% Assets

Country

CASH		4.490259	
TREVI FINANZIARIA INDUST 2% 31.12.26		2.877096	IT
WEBUILD SPA 7% 27.09.28	Industrials	2.62484	IT
TEVA PHARM FNC NL II 7.375% 15.09.29	Health Care	2.550936	NL
LAGFIN SCA 3.5% 08.06.28		2.281385	LU
IMA INDUSTRIA MACCHINE TV 15.04.29		1.932706	IT
IMA INDUSTRIA MACCHINE 3.75% 15.01.28		1.887252	IT
CHINA WATER AFFAIRS GRP 4.85% 18.05.26	Utilities	1.843798	HK
SAMMONTANA ITALIA SPA TV 15.08.31		1.633968	IT
INTESA SANPAOLO SPA TV	Financials	1.603952	IT
WALGREENS BOOTS ALLIANCE 2.125% 20.11.26	Consumer Staples	1.540034	US
CHINA OIL & GAS GROUP 4.7% 30.06.26	Utilities	1.516437	HK
ELECTRICITE DE FRANCE SA TV		1.407149	FR
TTEFP 4.12 PERP	Energy	1.285344	FR
DANAOS CORP 8.5% 01.03.28		1.250623	GR

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **29/12/2023 - 31/12/2024**



What was the proportion of sustainability-related investments?

Sustainable investments represent the 60.7% of the Portfolio's net asset value.

What was the asset allocation?

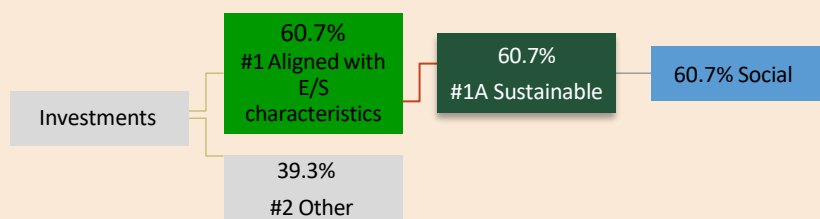
Eligible investments are those securities which are compliant with including criteria and are not in breach with excluding criteria set out on the applicable ESG policy.

#1 Investments aligned with E/S characteristic

#2 other assets: cash, derivatives and securities without ESG rating or with a weak ESG rating.

#1A Sustainable investment are investments in securities whose rating is considered acceptable and which comply with the exclusion criteria set out in the ESG policy applicable.

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

Asset Allocation	2022	2023	2024
<i>#1 Aligned with E/S characteristics</i>	78.00%	78.03%	60.70%
<i>#1A Sustainable</i>	78.00%	78.03%	60.70%
<i>Social</i>	78.00%	78.03%	60.70%
<i>#2 Other</i>	22.00%	21.97%	39.30%

● **In which economic sectors were the investments made?**

Sector: Industrials, Utilities, Consumer Staples, Health Care, Financials

Sub Sector: Construction & Engineering, Pharmaceuticals, Water Utilities, Gas Utilities, Diversified Banks



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

0% of Portfolio's net asset value.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**



Yes:



In fossil gas



In nuclear energy

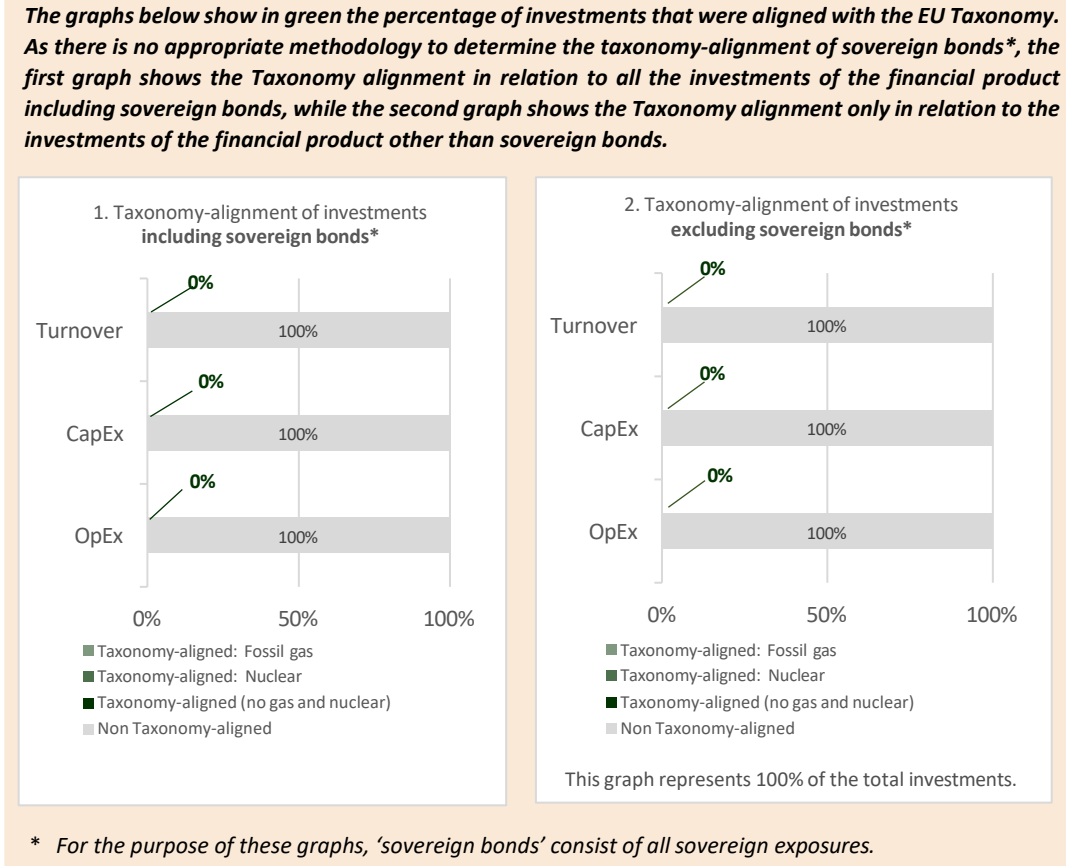


No

¹ 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 objective - 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.

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.



- **What was the share of investments made in transitional and enabling activities?**

0% of Portfolio's net asset value is invested in transitional and enabling Activities
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

-  **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

N/A



What was the share of socially sustainable investments?

The share of socially sustainable investments is 60.7% of the Portfolio's net asset value



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Under "#2 Other" are included cash, derivatives, bonds and equities which do not have any ESG rating or with a weak ESG rating. The financial product aims to limit the exposure to this category to maximum 45% of its assets. The investments of the financial product will be limited to issuers evidencing a strong Sustainability rating and which follow good governance practices.

The share of #2 Other is 39.3% of the Portfolio's net asset value.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To meet the social characteristics during the reference period, the asset manager has selected an eligible asset universe of sustainable securities that considers, for a minimum of 55% of the whole Portfolio, only securities that comply with exclusion criteria; considering these criteria are based on social characteristics (as the involvement in controversial weapons production, % of revenue coming from tobacco production, adult entertainment sector, gambling sector, and violation of United Nations Global Compact), thanks to the asset universe implemented, the social characteristics are always taken into account.

Compliance with exclusion criteria is regularly checked by the asset manager to ensure the financial product constantly meets the defined social characteristics.



How did this financial product perform compared to the reference benchmark?

There is no specific index designated as a reference benchmark.



How does the reference benchmark differ from a broad market index?

N/A

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

N/A

- *How did this financial product perform compared with the reference benchmark?*

N/A

- *How did this financial product perform compared with the broad market index?*

N/A