



Prometeia Advisor Sim

SUSTAINABILITY REPORT 2018

About this report

This report is an extension of Prometeia Advisor Sim responses to the PRI Reporting Framework during the 2018 reporting period and incorporates additional information on Prometeia Advisor Sustainability Development. It is designed to share Prometeia Advisor's vision and services to all stakeholders.

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Foreword by Forum per la Finanza Sostenibile

Since 2001 Forum promotes the knowledge and practice of sustainable investment, with the aim of spreading the integration of Social Responsible Investment (SRI) criteria in the financial industry. We pursue our mission on many fronts. Research, to encourage the development of innovative responses to complex global challenges. Information, to raise awareness among financial operators, the media and citizens. Last but not least, advocacy, towards Italian and European institutions, to implement regulatory framework in favor of sustainable investments.

All this would not be possible without our associative base, which in these 17 years has become increasingly broad and active, reflecting the expansion of the SRI market in Europe and in Italy. Advisory firms are central players in this process, because through their services they can interpret clients' investment preferences, as well as stimulate investors to adopt a long-term approach consistent with sustainability issues.

We welcome the initiative of Prometeia Advisor, which has demonstrated a constant commitment to the integration of sustainability, not only in the services offer, but also in the company's policy. Our hope is that this report will stimulate the entire SRI community: sharing best practices is key to yield real change.

Francesco Biciato

Segretario Generale, Forum per la Finanza Sostenibile

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Letter from the CEO

Prometeia Advisor's commitment to sustainability goes beyond offering sustainable advisory solutions as it is an embedded responsibility that we pursue in all our activities and services. Progress on sustainability occurs when facing the world challenges with an open perspective. We are not only working to adjust our business model to provide long-term impactful investment solutions, but we are also actively contributing to influencing investor's mindsets towards sustainable investment.

As the leading investment consultant firm in Italy, we recognize the strategic relevance of our position in pursuing long-term value creation for our clients and the moral obligation of advancing the adoption and implementation of sustainable investment among institutional investors. We constantly engage in dialogue with current and prospective clients in order to gain a deeper understanding of their specific requests and capturing all their necessities in the context of a fast-changing financial system. This distinctive approach to investment consulting has always allowed us to deliver the best possible client-driven solutions.

Through actively participating in UNPRI and Italian SIF activities over the last years, we have seen how many large European institutional investors have committed to include ethical principles into their portfolios.

We are sure that Italian investors will soon align to this best practice and, at Prometeia Advisor, we are ready to support them in this new challenge!

Davide Squarzoni

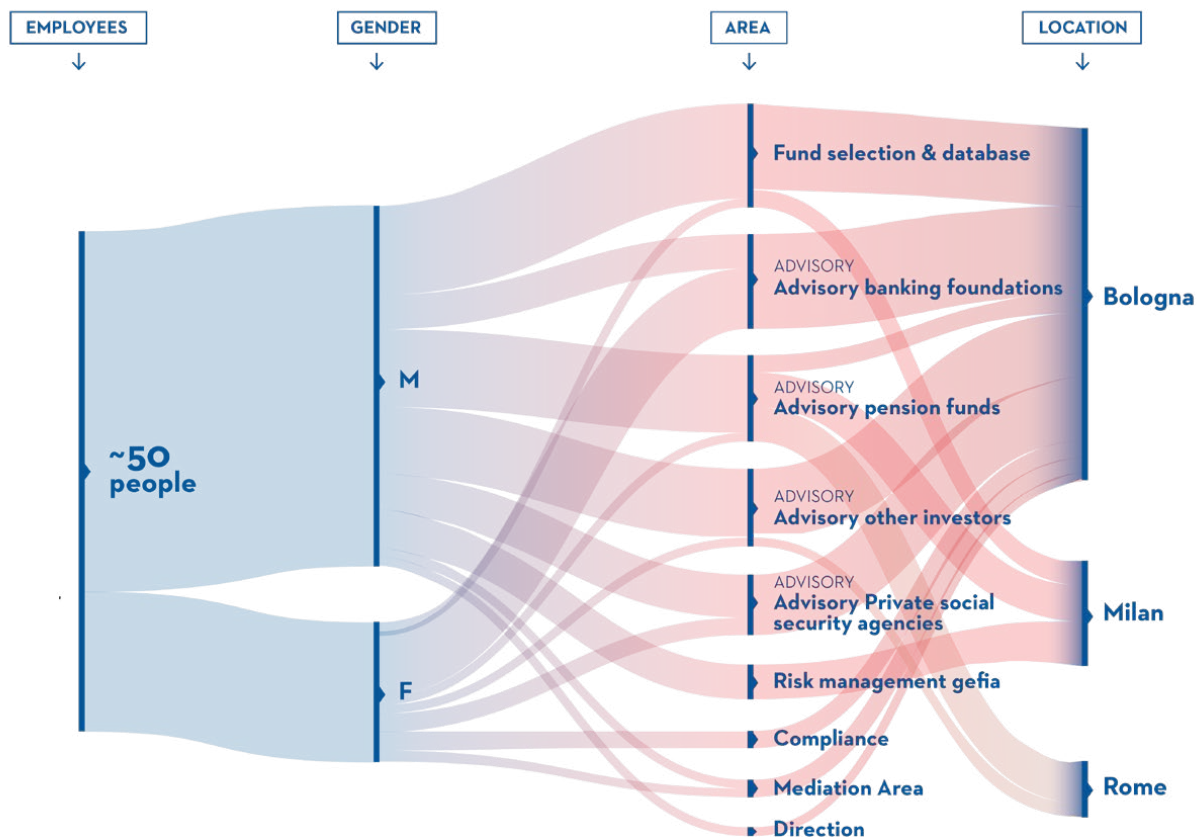
CEO Prometeia Advisor SIM

Prometeia Advisor Sim

The future belongs to those who are able to transform the present

Prometeia Advisor Sim (Prometeia Advisor) is the leading financial consulting firm for institutional investors in Italy. The company has 45 employees and offices in Bologna, Milan and Rome. Prometeia Advisor is a fully owned subsidiary of the Prometeia Group, with 800 employees and offices in

Italy and abroad (Istanbul, Moscow, London and Cairo). As a prominent financial institution with more than euro 85 billion of Assets under Advisory (AuA) as of December 2017, addressing environmental, social and governance matters is fundamental to how Prometeia Advisor does business.



Mission

Our mission is to cultivate unique expertise so that we can grow alongside our clients over the long term, together envisaging highly ambitious goals and devising the best way to achieve them. To this end, we have created a workplace where our experts are constantly inspired - innovators in both thought and action, and entrepreneurs in spirit. We are never satisfied with sitting back and choosing the easiest path, and this is how we have built our reputation.

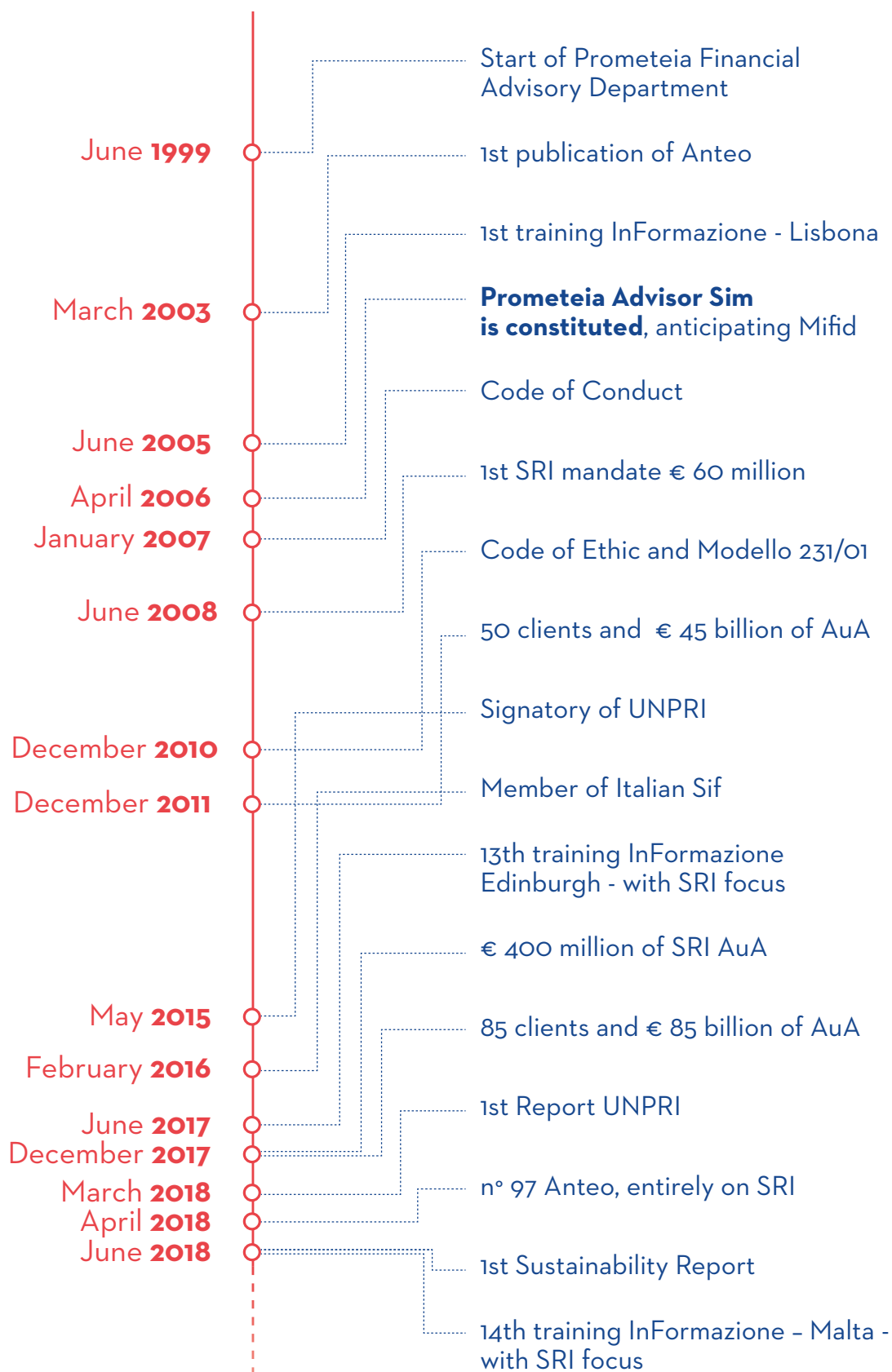
Prometeia Group



Our mission is to guide institutional investors to long-term value creation, not only by avoiding unnecessary market risks but also by identifying investment opportunities in line with their goals. We are committed to advising on SRI themes and offering integrated solutions to fulfil clients' necessity.

Prometeia Advisor Sim

Timeline



Services

At Prometeia Advisor, our intention is to provide exceptional service to clients in everything we do. Through our specific lines of business we assist our clients in all of their investment needs - from design to implementation to monitoring. We are continually innovating to enhance how we serve them through new and existing services. This includes

developing high technological solutions and new professional skills to specifically meet the unique needs of our clients. For example, in recent years we have introduced sustainable parameters in our offer with an integrating approach that enlarges our clients opportunities of personalization.

STRATEGIC ASSET ALLOCATION

Analysis of portfolio composition
Estimate the expected profitability
Analyze risk involved in aa

TACTICAL ASSET ALLOCATION

Forecasts on financial markets
Asset allocation indications
Customized consulting

PERFORMANCE ANALYSIS & ATTRIBUTION

Data Analysis Services
Performance Attribution
Risk Analysis

ALM

Defining investment strategy
Diagnosis of the relation that holds across assets

SELECTION PROCESS

Proprietary database
Meetings organized with the am
Quant and quali analysis

TRANSITION MANAGEMENT

Project management
Pre-trade analysis and estimate of the transaction

EXTRAORDINARY FINANCE

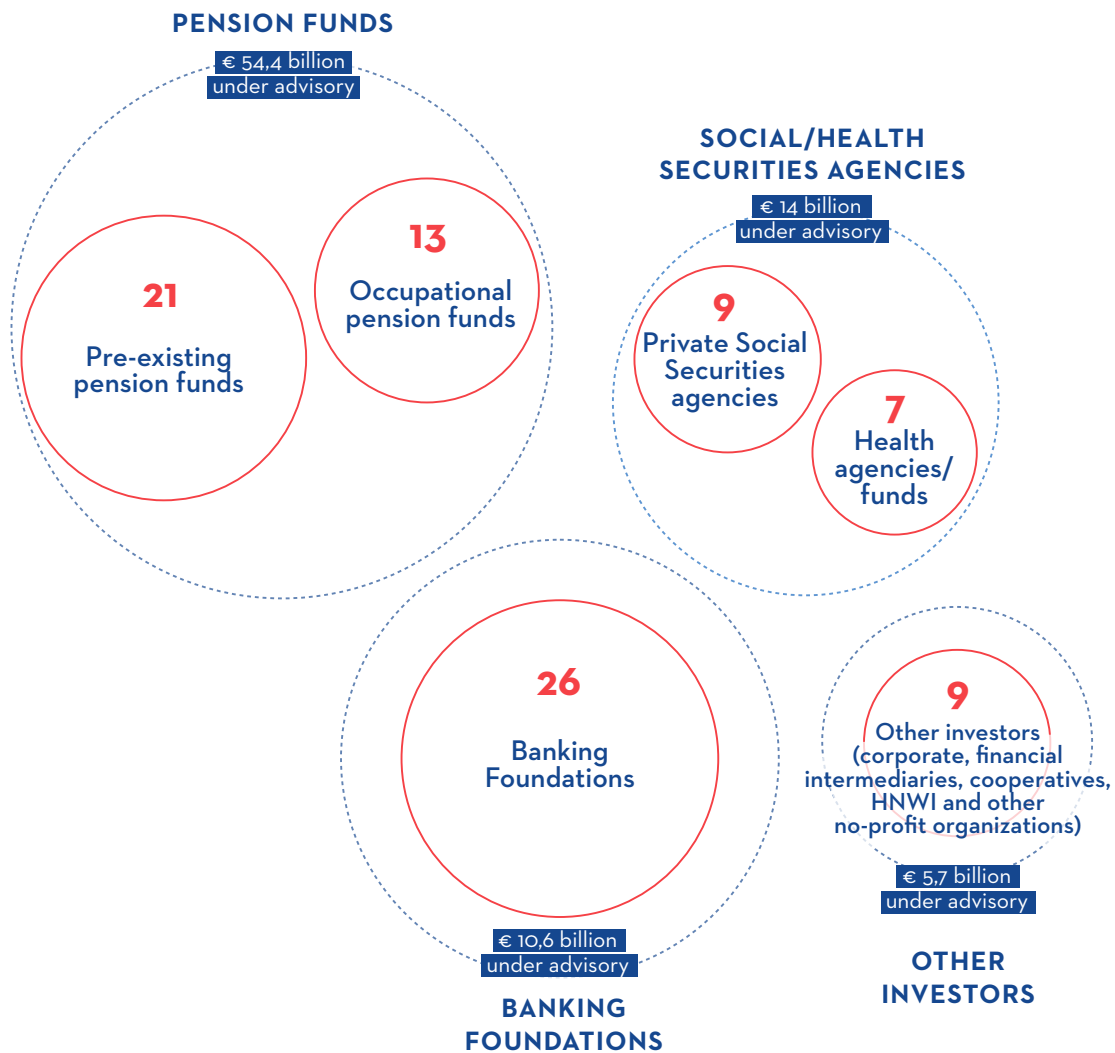
Support in the identification of the strategies
Analysis of potential paths for investment disposal

RISK MANAGEMENT GEFIA

Institution of new AIFs
Update of the business plans
Evaluation process

Clients

Prometeia Advisor serves a diverse portfolio of around 85 clients with an Asset under Advisory of euro 85 billion as of December 2017. Our goal is to meet client demand in the most effective way possible. We achieved this by engaging with clients and understanding their unique investment perspective. Nowadays, new sustainable investment instruments allow us to better align clients' mission with their investment objectives. We are proud of the highly personalized solutions that we are able to offer thanks to this approach. Over the last decade we have been actively supporting 9 SRI committed clients. However, in 2017 as many as 6 clients started to take their first steps in sustainable investing, thus increasing the total number of SRI investors to 15, which represents 17% of our total clients.



OUR EXCELLENCE

Relationship

We strongly believe in building a trustworthy relationship with clients.

Thanks to highly skilled professionals with deep knowledge of the reference market, our teams usually build relationships that last for many years. Every client also has its own relationship manager. This strengthens the relationship bond and assure full dedication to the client.

Connectivity

We are always there for our clients.

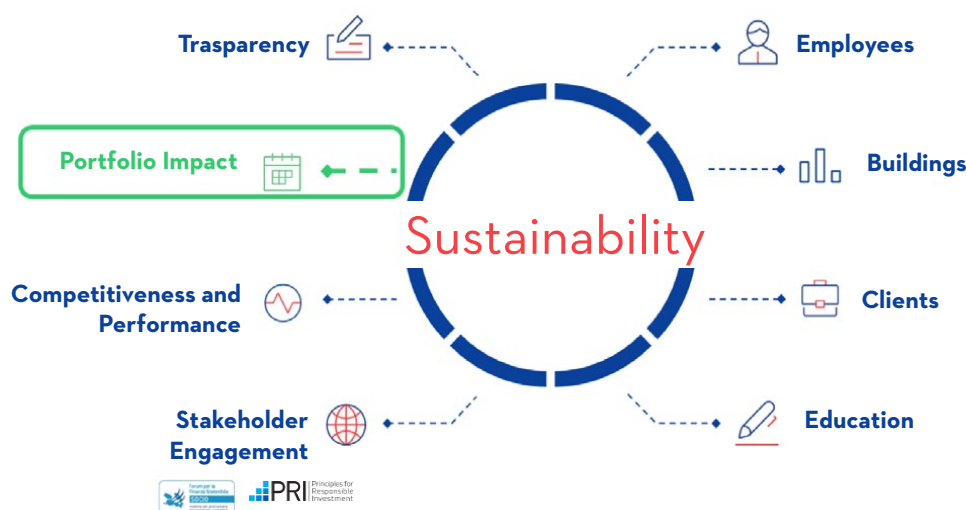
By constantly talking to clients, we optimize our strategic contribution to assure the greatest achievement. We provide one-to-one meetings, conference and video calls, ad hoc deliveries and presentations to boards. Always being updated on clients activities allows us to have a broad vision on the investment advisory and clients investment development.

Feedback

We value client satisfaction as the cornerstone of our success.

We believe success is achieved when we meet and surpass client expectation. Annually we ask clients to complete a questionnaire of advisory satisfaction on service quality, respect of deadline, team availability and professional capabilities as well as the effectiveness of operational support. We want to know how our clients evaluate our performance and what we can improve on. Our aim is to keep improving by implementing clients' feedback and adjusting our approach to clients' demand.

Sustainability



Sustainability has been part of Prometeia Advisor long before it was called 'sustainability'. Our internal culture represents the supporting basis of the company's sustainable development. Since its start, Prometeia Advisor has been built upon sustainable principles:

Transparency

we commit to providing accurate, adequate and timely information to enable all stakeholders to understand our services and practices

Governance

we have always understood that good governance is critical to the success of a company over the long term. Prometeia Advisor establishes board independency and stewardship in line with the latest international requirements

Collaboration

we support practice sharing within the industry and we engage with all stakeholders to implement sustainability practices and positive environmental and social impacts

Innovation

we research new perspectives and invest in technology to offer products and services in line with the changing needs of our clients

Knowledge

we continuously provide educational training for employees in order to create a stimulating work environment, and consequently offer only the best intellectual financial approaches to clients

Independence

we commit to work independently from any political party, lobbying activity or financial power, and to pursue the exclusive interest of our clients

Prometeia Advisor's core business is advising institutional clients in best managing their assets. We have built a leading position in Italy over the years by optimizing growth opportunities with a focus on environmental, social and economic performance. That is why we increasingly integrate sustainability in our operations and services as the financial markets perfect sustainability investment offerings. Our sustainable strategy is based on actual facts, we do provide solutions to the challenges of sustainable development. Due to its specific business model, at Prometeia Advisor, sustainability has a double application: it can be seen as corporate sustainability (direct impact) and as investment advisory sustainability (indirect impact).

Corporate Sustainability

Prometeia Advisor promotes since a long time sustainable development in all its operations and activities. It is from our corporate vision that we establish investment objectives, set goals and action plans that will also have an influence on sustainable advisory.

DIRECT SUSTAINABLE ACHIEVEMENTS:

Reducing CO2 emissions

wide use of public transportation - online meetings and conference calls

Reducing paper use

mitigating paper use - printers set by default on double-faced and black/ white - only necessary printing is allowed and only on recycled paper

Reducing waste

waste recycling for paper, plastic and glass at all offices

Reducing energy consumption

all offices have LED lights - all lights are switched off after working hours

Employees wellbeing

water purifiers in all floors (cold and hot) - natural lights in all office rooms

Corporate welfare

programs of socio-economic support to employees.

Diversity inclusion

programs to promote and respect equal opportunities

Team

The SRI team works across functions while implementing Prometeia Advisor's sustainable commitments through a structured managing plan. The CEO oversees team activities, the team is composed of three professionals, coordinated by an SRI specialist. All team members work in different departments reinforcing the idea that sustainability is not a stand-alone practice but it is a fully embedded approach in all our activities. Part of the team members' annual performance and remuneration rewards are evaluated on the matter of sustainability achievements in SRI themes.

Building knowledge

The participation of team members to external conferences, working groups and category association meetings is highly encouraged as a valid approach to training and as a way of sharing our experience and contributing to the making of quickly evolving practices. Additionally, internal sustainability trainings takes place for the team members and tar-

geted groups of employees on specific occurrences. In 2017, external resources had been reached for training employees on sustainable investment strategies and operational sustainability. We have internally published and shared numerous studies on sustainable investment, building awareness among our employees and clients.

Stakeholders

A stakeholder is an individual or organization that has an interest in a decision or activity of Prometeia Advisor. The relevance and significance of an interest pursued by stakeholders can determine consequences (opportunities and threats) for Prometeia Advisor. Identify and properly engaging with our stakeholders is a fundamental activity for achieving our strategic objectives and pursuing sustainable growth:

Prometeia Group

Prometeia Advisor's relationship with the parent organization is crucial at the same time for our independency and

our compliance to the group's regulation and directory.

Employees

Prometeia Advisor aims to create a competitive and challenging work environment, where all employees feel safe and welcomed, and perceive the importance of their work as an added value of our success. It is essential that employees understand the importance of their contribution, are highly motivated and aligned with Prometeia Advisor's ob-

jectives. We are aware that the quality of operational capabilities in terms of strategy, processes, operations and resources is strictly related to the value of our management. That is why Prometeia Advisor supports employees skills development, endorses entrepreneurship and shared knowledge at all level of the management.

Competitors

The possible entry of foreign advisor is an interesting opportunity to compare Prometeia Advisor with international companies.

Clients

Clients are becoming more demanding, and we work to better our services and fulfill their needs in advance.

Government

The influence over the industry of national and international regulations along with the Government position is extremely strong and it origins reactions that have effects both in the short and in the long run. Therefore we constantly monitor what happens at Italian and European level

Financial industry

The industry is rapidly changing, becoming more and more globally compliant.

Engagement

We consider engagement all activities we carry on to improve transparency and enrich dialogue on sustainability in the financial industry. Prometeia Advisor is a signatory of the United Nation Principles for Responsible Investment (UNPRI) and a member of the Italian Sif (Forum per la Finanza Sostenibile) and is actively involved in all their activities.

- Provide or support education or training programmes for clients, investment managers, other investment organisations
- Provide financial support for academic or industry research on responsible investment
- Encourage better transparency and disclosure of responsible investment practices across the investment industry
- Speak publicly at events and conferences to promote responsible investment
- Write and publish in-house research papers on responsible investment
- Encourage the adoption of the PRI
- Write and publish articles on responsible investment in the media
- Policy engagements and other interactions

Multistakeholders working groups

We take part to working groups organized by different institutions on sustainable issues, especially those promoted by Forum per la Finanza Sostenibile. We strive to promote sustainability among our clients as well as in the financial industry

Supporting education

We provide and support educational and training programs for clients and employees. We constantly speak at events and conferences to promote responsible investment

Improving transparency

We encourage better transparency and disclosure of responsible investment practices across the investment industry. Specifically to asset managers we ask details about their investment strategies and their engagement

Sharing knowledge and new ideas

We write and publish our experience and new ideas on responsible investment in our newsletter Anteo and whenever we are called to contribute to external articles.

In the last 3 years we have contributed to 3 Forum Finanza Sostenibile's publications:

- Developing SRI in banking foundations
- Impact Investing: financing social and environmental impact
- Sustainable Investments in emerging areas

Sustainable Development Goals



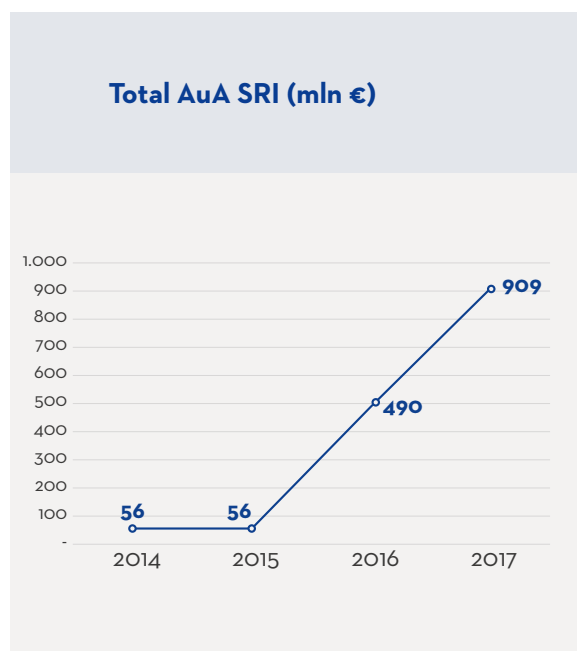
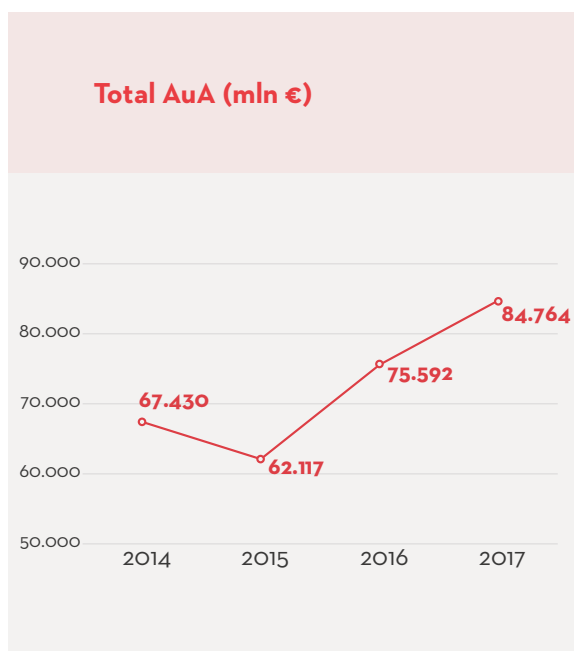
The Sustainable Development Goals (SDGs) are a collection of 17 global goals set by the United Nations. The goals are broad and somehow interdependent, each goal has its own targets to achieve. The total number of targets is 169. The SDGs cover a broad range of social and economic development issues. We encourage everyone to take part in the success of the Sustainable Development Goals. Besides we are thinking to build our own guide to be published once it is eventually completed. The guide will provide guidelines on how, in the everyday corporate endeavors, our employees

can become part of the change. We are studying initiatives in which all employees will report on specific sustainable performance indicators and ways to reward those who have actively participated in the challenge and have remarkably improved their performance over time. In accordance with the coming program of the PRI' on SGD's we commit to align our responsible investment practices with the broader sustainable objectives of society. Therefore, we commit to provide research and education, facilitating collaboration and embedding the SDGs into our work of investment advisory.

Advisory Sustainability

Prometeia Advisor's vision is that institutional investment advisory should align the mission of the clients to their investment goals. Our core business is to help clients invest capital to achieve financial goals. And as stated in our mission, we guide institutional investors to long-term value creation. We do so, not only by avoiding market risks but also by identifying investment opportunities with an inclusion of environmental and social parameters. We have a long-standing commitment to incorporating sustainable factors into the investment process. This

commitment is outlined in our sustainable policy and is guided by international sustainability principles and best practices. Our first selection of sustainable mandate was in June 2008. As of December 2017, our SRI selections was approximately 1 billion euros (mainly through segregated accounts), while SRI funds selection account for 50 million euros. Although still contained, SRI assets are rapidly increasing. Our AuA has reached euro 85 billion with a growth rate of 25% in the last four years, while SRI AuA had a growth rate of 1523%.



TOTAL SELECTIONS

SRI SELECTIONS

Selection numbers

| | 2017 | 2016 | 2015 | 2014 |
|---------------------|------------|------------|------------|------------|
| total | 366 | 338 | 241 | 188 |
| etf | 41 | 13 | 6 | 14 |
| ucits funds | 289 | 309 | 217 | 152 |
| segregated mandates | 26 | 12 | 9 | 13 |
| closed funds | 10 | 4 | 9 | 9 |

Selection numbers

| | 2017 | 2016 | 2015 | 2014 |
|---------------------|-----------|----------|----------|----------|
| total | 38 | 3 | 0 | 1 |
| etf | 3 | | | |
| ucits funds | 31 | | | |
| segregated mandates | 4 | 3 | 0 | 1 |
| closed funds | | | | |

Selection Amounts (mln €)

| | 2017 | 2016 | 2015 | 2014 |
|---------------------|--------------|---------------|--------------|--------------|
| total | 5.073 | 10.837 | 1.627 | 1.955 |
| etf | 70 | 53 | 42 | 49 |
| ucits funds | 1237 | 701 | 962 | 460 |
| segregated mandates | 3668 | 10007 | 595 | 1424 |
| closed funds | 97 | 75 | 27 | 22 |

Selection Amounts (mln €)

| | 2017 | 2016 | 2015 | 2014 |
|---------------------|------------|------------|----------|-----------|
| total | 447 | 480 | 0 | 10 |
| etf | 12 | | | |
| ucits funds | 40 | | | |
| segregated mandates | 395 | 480 | 0 | 10 |
| closed funds | | | | |

SRI IN NUMBERS



Just as in corporate sustainability (also in advisory), sustainability is not a stand-alone factor. When our clients demand an SRI advisory, we systematically incorporate sustainable parameters into all the advisory process and services. We want to provide tailor-made investment solutions to meet clients' sustainable priorities.

SRI promotion among clients

We still see limited requests from asset owners in integrating responsible and sustainable considerations into their portfolios. However, this fact does not stop us from actively promoting it. We rarely encounter rejection, more often clients are perplexed by the notion that sustainable finance can be consistent with both client financial objectives and responsible values. We believe this is due to the fact that only recently sustainable investment products have been developed in all asset classes with a positive integration of market opportunity approach rather than solely an ethical exclusion. This change in the portfolio manager mindset is not yet fully perceived by asset owners. That is why we constantly provide educational insights on sustainable investment to our clients.

Sara Moratti - SRI Specialist

UNPRI Principles

Prometeia Advisor Sim has been a signatory to the United Nation Principles for Responsible Investment since May 2015. Prometeia Advisor believes that sustainable investment is a powerful keystone to achieving sustainable development. As an advisory firm, Prometeia Advisor is not only in the position of affecting the implementation and adoption of sustainable investment among institutional investors, but it also has the moral obligation of pursuing long-term value creation for its clients.

PRINCIPLES

1

WE WILL INCORPORATE ESG ISSUES INTO INVESTMENT ANALYSIS AND DECISION-MAKING PROCESSES

Sustainability is embedded into the investment decision process at all its stages: macro consideration, market analysis, corporate analysis, screening of the investment universe, portfolio management selection, asset allocation and risk control.

2

WE WILL BE ACTIVE OWNERS AND INCORPORATE ESG ISSUES INTO OUR OWNERSHIP POLICIES AND PRACTICES

All our policy and guidelines are inspired by international best practices and are in compliance with European Regulations. Following the UN Global Compact 10 Principles, Prometeia Advisor's corporate sustainability relies on: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption. Prometeia Advisor will set objectives and goals every year to reduce its footprint and improve its positive impact.

3

WE WILL SEEK APPROPRIATE DISCLOSURE ON ESG ISSUES BY THE ENTITIES IN WHICH WE INVEST

Prometeia Advisor has developed a proprietary framework to analyse the sustainability of asset managers, investment funds and issuers. In addition, the firm constantly engages with all financial institutions to implement transparency within the industry.

4

WE WILL PROMOTE ACCEPTANCE AND IMPLEMENTATION OF THE PRINCIPLES WITHIN THE INVESTMENT INDUSTRY

Prometeia Advisor promotes the inclusion of UNPRI's considerations into investment decision making to clients. We have internally published and shared some studies on sustainable investment, building awareness among clients. We sponsor events and conference on the issue and we train our employees.

5

WE WILL WORK TOGETHER TO ENHANCE OUR EFFECTIVENESS IN IMPLEMENTING THE PRINCIPLES

The participation of employees, managers and directors to external conferences, working groups and category association meetings is highly encouraged as a valid approach to training while actively contributing with our own experience on the making of fast-evolving best practices.

6

WE WILL EACH REPORT ON OUR ACTIVITIES AND PROGRESS TOWARDS IMPLEMENTING THE PRINCIPLES

Prometeia Advisor reports its responsible investment achievement and development yearly on its sustainability report. In addition, as part of Prometeia Group, it publishes a sustainability report aligned with GRI framework.

Investment Strategies

A homogeneous definition of Sustainable and Responsible Investment (SRI) is not yet available. There is agreement to consider SRI as those investments that aim to create value for the investor and society through a medium-long term-oriented investment strategy and select companies through a combination of traditional

financial analysis with environment, social and governance considerations. The concept of SRI varies greatly in application, generating significant differences in investment strategies. Prometeia Advisor has set sustainable investment standards as identified by the UNPRI and in accordance with innovative market practices:

Negative/exclusionary

The exclusion from a fund or portfolio of certain sectors, companies or practices based on specific ESG criteria

Norms-based

Screening of investments against minimum standards of business practice based on international norms

Positive/best in class

Investment in sectors, companies or projects selected for positive ESG performance relative to industry peers

Positive/best effort

Investment in sectors, companies or projects selected for positive ESG performance relative to the company's commitment in the future

Sustainability themed investing

Sustainability themed investing involves the selection of assets that contribute to addressing sustainability challenges such as climate change or water scarcity. Funds can either be single-themed or multi-themed

Integration of ESG issues

Integration of ESG issues encompasses the use of qualitative and quantitative ESG information in investment processes, with the objective of enhancing investment decision-making. Integration of ESG issues can be used to inform economic analysis and industry analysis. It can be used at the portfolio level, by taking into account ESG related trends such as climate change, or at the stock, issuer, or investee level.

Impact Investing

Impact investments are investments made into companies, organizations, and funds with the intention to generate social and environmental impact alongside a financial return. Impact investments can be made in both emerging and developed markets, and target a range of returns from below market to market rate, depending on investors' strategic goals

Investment Policy development

In assisting clients toward the adoption of sustainable portfolios, Prometeia Advisor also offers support for policy and guideline construction. Typically this service requires a high level of interaction with the client to better identify the scope of the policy and its compliance with regulatory requirements. Once the policy is written, it must be approved by the client boards and in general the client sets their own time for updating it.

OUR SUPPORT:

- Reviewing clients' existing beliefs, investment strategy and policy in relation to ESG
- Aligning the investment policy with the client's overall ESG strategy and beliefs
- Helping clients define ESG investment objectives and incorporating them into policies
- Considering short-, mid- and long term time horizon of overall ESG objectives outlined in the investment policy
- Aligning the policy with the relevant ESG/RI regulations and public policies
- Providing education/training and case studies if the client has not publicly committed to an ESG strategy or beliefs, and seek to incorporate ESG in the client's investment policy
- Researching ESG trends, terminology and current debate to help create an up-to-date investment policy
- Comparing ESG investment policies of peers in the market
- Engaging the client organisations' executives, Board and any other stakeholders in the ESG investment policy development

Strategic asset allocation

Prometeia Advisor offers tailored versions of sustainable strategic allocation to better accomplish clients' investment objectives. One client's asset allocation will never be alike to another one in terms of sustainable themes, asset class and risk exposure. We propose sustainable strategies based on customized SRI parameters in accordance with client's mission and regulatory compliance. We offer clients macro and financial view for short and long-term scenario, we study sustainable trends and analyze how those trends relates to the clients' portfolios.

OUR SUPPORT:

- Incorporating climate change-specific factors into analysis of expected returns and risk levels across asset classes
- Incorporating other environmental considerations into analysis of long-term expected returns and risk levels across asset classes e.g. biodiversity, water usage, waste and hazardous materials
- Incorporating social considerations into analysis of long-term expected returns and risk levels across asset classes
- Incorporating governance considerations into analysis of long-term expected returns and risk levels across asset classes
- Incorporating ESG when advising on target percentages for allocation in asset classes
- Aligning the strategic asset allocation with the client's ESG investment policy, ESG investment objectives and ESG risk profile

Asset & Liability Management: an integrated and sustainable approach

Our clients are increasingly adopting an Asset & Liability Management (ALM) approach based on an integration of asset management strategies optimized on liabilities.

Moreover, requests for SRI inclusion in our clients' portfolios is also growing. Only few years back, SRI product offer was still limited to build an efficient portfolio for an institutional investor, while today it allows greater customization and yield opportunities.

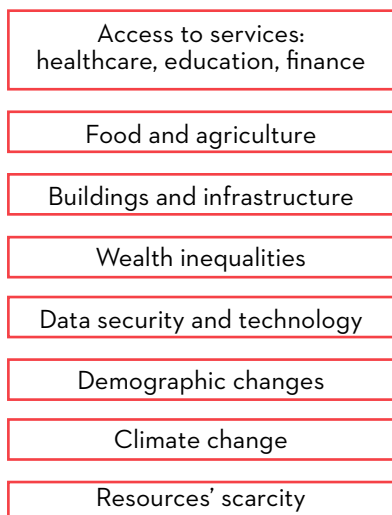
We believe that in the current economic and financial context, an advisory firm's ability to exploit financial and technological innovation will be a winning element to offer flexible solutions with an integrated (ALM) and sustainable investment management approach.

Cosimo Musiello - Head of Asset Allocation Committee
and Head of Advisory Banking Foundations

Investment research

There is a positive correlation between research quality and investment return. Good research leads to superior performance. The world is facing new challenges like climate change, wealth inequalities, data security, resource scarcity that can powerfully influence performance over time. We believe it is our duty to map all risks and opportunities associated with an investment. We want to deeply understand the interconnection between factors and how this may affect investment performance. That is why we integrate sustainable themes in our research and analysis.

SUSTAINABLE THEMES:



Investment selection and monitoring

We have developed a proprietary methodology to assess the sustainability of asset managers and investment instruments. Our goal is to understand which investment is really making a difference in terms of sustainable innovation that have a clear impact on investment performance. We do not stop at a superficial degree of evaluation as we believe it is our duty to deeply analyze the market and select top performers that best meet the needs of the client. We have amplified our well known and appreciated investment selection and monitoring services with sustainable parameters. The outcome is an integrated financial and sustainable assessment of the investment.

ASSET MANAGERS AND FUND SELECTION:

Overall sustainable development and commitment

The complexity of the sustainability research and its integration in the investment process

Sustainable team structure and areas of operativity

Fund strategy' s degree of sophistication

Portfolio managers team: experience and sustainable knowledge

Risk manager integration with sustainable objectives

Engagement activities

Sustainable reporting

Fund external label

The importance of portfolio reporting

We have seen a growing number of asset managers providing reports on their sustainability efforts, either at company or portfolio level. We believe this trend is due to the fact that institutional investors and consulting firms have increasingly raised concerns about transparency and want to connect the puzzle of the added value of a sustainable strategy on the 'profitability' of the results.

From our experience, asset managers are more willing to spend time and effort on sustainable reporting if it increases their chance of raising AuM. At the same time, investors are more willing to trust a sustainable strategy if this strategy can somehow be verified quantitatively and qualitatively thanks to reporting. It is a positive enforcing loop where we, as a consulting firm, take an active participation by asking for more and more reporting and transparency to asset managers in order to evaluate and verify their data.

Daniele Ceroni - Head of Fund Selection

SUSTAINABLE BOND

Issuer sustainable credibility and commitment

Adhering to bond principles from ICMA

Being part of the climate bonds Initiative

Use of proceed in line with the company objective

Presence of segregated account

Commitment to reporting and reporting quality

Evaluation of second party opinion

Philanthropy

Although philanthropy is not part of Prometeia Advisor's core business, we believe it is an important activity that highly contributes to the company goal of sustainable value creation. Since 2011, Prometeia Advisor, as well as all the companies of Prometeia Group, allocates economic resources for Christmas gifts of customers and employees in charitable activities. There are currently four nonprofits supported by Prometeia Group, three actives in Bologna and one in Turkey.

AGEOP Ricerca Onlus assists children with cancer. For over 35 years AGEOP has been providing accommodation to ensure hospitalized children may benefit from parents' constant presence. Furthermore, AGEOP finances the acquisition of the cutting-edge scientific machinery and scientific research projects in hospitals.

Il Cucciolo supports preterm babies and their families. Since 1995 il Cucciolo aids the Neonatal Intensive Care Unit and Neonatology Unit of the Sant'Orsola Hospital in Bologna. Cucciolo in collaboration with Policlinico Sant'Orsola and Granarolo, has also set up the Milk Bank, to compensate for the lack of breast milk, for children born preterm.

Bimbo Tu helps children affected by tumors or diseases of the central nervous system. Bimbo Tu is active in the Neurosurgery and Pediatric Neuropsychiatric Departments at Bellaria Hospital in Bologna, supporting the purchase of cutting-edge equipment, the renovation of the building and proving accommodation to families of hospitalized children.

LöseV operates in Ankara since 1998, helping young leukemia patients and their families through different projects: a pediatric hospital, a school, a village of 25 houses with an agricultural field and a farm where families can stay for long periods. Up to now, the nonprofit has supported around 20,000 children, offering free treatments to the most disadvantaged families.

SUSTAINABILITY REPORT 2018

