

Article 10 SFDR Disclosure
Transparency of the promotion of environmental or social characteristics and of sustainable investments on websites

VenturItaly II Umbrella Fund of Funds – VenturItaly II Sub-Fund

(a) Summary

The VenturItaly II Sub-Fund (“Sub-Fund” or “Fund”), managed by CDP Venture Capital SGR S.p.A., is a sub-fund of the Italian closed-end reserved Alternative Investment Fund (AIF) “VenturItaly II Umbrella Fund of Funds”, structured into the VenturItaly II and Previdentia sub-funds, both classified pursuant to Article 8 of Regulation (EU) 2019/2088 – Sustainable Finance Disclosure Regulation (SFDR).

In line with its Article 8 SFDR classification, the Sub-Fund invests exclusively in third-party managed schemes (“Target Schemes”) that apply good governance practices and promotes high-quality, skilled, and inclusive employment for at least 80% of its assets, while not having sustainable investments as its objective.

The Sub-Fund pursues its social characteristics through investments in Target Schemes that are subject to an initial assessment and periodic monitoring to ensure consistency with the Sub-Fund’s purpose and overall investment strategy. Specifically, the Sub-Fund:

- selects exclusively Article 8 or 9 SFDR Target Schemes that apply systematic ESG Due Diligence to all investment operations and are contractually required to collect and share annually standardized ESG key performance indicators (KPIs) agreed with the SGR, suitable for monitoring the sustainability performance of portfolio start-ups;
- applies exclusions to sectors and activities that could have a negative impact on society and the environment;
- verifies that the investments of the Target Schemes contribute to the promotion of “high-quality, skilled, and inclusive employment”, assessing — both in the pre-investment phase (ex-ante) and during ongoing monitoring (ex-post) — performance against selected qualitative and quantitative ESG KPIs, depending on the maturity level of the target companies.

To monitor compliance with the promoted social characteristics, the Sub-Fund uses a framework of indicators inspired by the metrics of the Corporate Sustainability Reporting Directive (CSRD), the European Sustainability Reporting Standards (ESRS) — in particular ESRS S1 “Own Workforce” — and the Voluntary Reporting Standard for SMEs (VSMES). The indicators are monitored through assessment sheets provided to the managers of the Target Schemes, and should discrepancies emerge compared to the ESG criteria adopted by the Sub-Fund, the SGR initiates engagement with the managers to address the issues and promote measures consistent with the defined social characteristics.

(b) No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have sustainable investment as its objective.

(c) Environmental or social characteristics of the financial product

The Sub-Fund promotes the following social characteristics:

- quality employment (contractual stability, fair remuneration, training and development, welfare/well-being);
- skilled employment (presence/development of highly qualified skills—university degrees/specialization and technical-scientific roles);
- inclusiveness: equal opportunities (gender and age), transparent and non-discriminatory recruitment processes, progress in gender representation.

These social characteristics are consistent with Sustainable Development Goal (SDG) 8 – Decent Work and Economic Growth, as well as SDG 5 – Gender Equality. The social characteristics will be promoted on a materiality

basis, depending on their relevance in relation to the investment strategy of each Scheme in which the Fund of Funds invests.

(d) Investment strategy

The Sub-Fund will subscribe, in co-investment with the VenturItaly II Sub-Fund, instruments representing interests in Venture Capital Fund managed by third-party managers that qualify as Article 8 or Article 9 SFDR products and that aim to invest in innovative, high-growth-potential companies within the venture capital ecosystem, building a diversified portfolio across all stages of a start-up's lifecycle and across all sectors.

The investment approach integrates ESG considerations throughout the entire investment cycle, with the objective of promoting high-quality, skilled, and inclusive employment for at least 80% of the assets. At the same time, the Sub-Fund is committed to fostering measurement and reporting practices regarding the environmental and social impacts generated by the start-ups invested in by the Target Schemes.

The Sub-Fund also assesses the adoption of good governance practices across all portfolio investments, both during due diligence and through ongoing monitoring, with particular attention to sound management structures, staff relations and remuneration policies, as well as compliance with tax obligations.

1. Pre-investment phase

a. Exclusions

For exclusions, reference is made to the Umbrella Fund Regulation (Art. 4.5).

b. Manager selection and ESG Due Diligence

Sub-Fund selects exclusively Target Schemes that meet the following minimum criteria:

- Classification as Article 8 or Article 9 SFDR products;
- Existence of internal governance policies and tools at the manager level (e.g., Code of Ethics, anti-corruption policy, Model 231/01) that ensure compliance with good governance practices, as required by Article 8 of the SFDR;
- ESG due diligence activity by the Target Scheme managers on investee companies to verify the absence of environmental, social, and governance issues;
- Contractual commitment to collect and periodically share standardized ESG information, agreed with the SGR, on the portfolio start-ups, in line with the ESG investment strategy of the Scheme, with the commitment to promote and monitor—through one or more identified KPIs—at least two out of the following three characteristics: quality, skilled, and inclusive employment.

c. Analysis of alignment with the promoted characteristics

During the investment selection phase, an assessment is carried out to evaluate the Scheme's ability to promote the social characteristics through its participations based on the criteria defined by CDP Venture Capital SGR S.p.A. The SGR has defined minimum requirements for each social characteristic, which the start-up must meet or commit to achieving in order to contribute to the promotion of that characteristic. By way of example:

- Quality employment: existence of a Code of Ethics or commitment to develop one within 18 months;
- Skilled employment: provision of a number of training hours for employees exceeding mandatory requirements;
- Inclusive employment: collection and monitoring of data on the number of female employees and employees under 30.

2. Contractualization

During the subscription process, the Sub-Fund formalizes in dedicated Side Letters attached to the subscription documents of the Target Schemes:

- the obligation for Target Scheme managers to provide periodic ESG reports, including employment data and—where relevant—environmental and social impacts generated by the products or services of the portfolio start-ups;
- the adoption of measures to ensure good governance in investee companies (e.g. transparency, anti-corruption, regulatory compliance);
- for newly established Target Schemes, the commitment to include in their investment strategy the promotion of at least two of the social characteristics promoted by the Sub-Fund.

3. Investment management/monitoring phase

The SGR requires the periodic sharing of information on the ESG performance of the Target Schemes (e.g., reporting, third-party scores) and on the ESG management of investee companies (e.g., emerging ESG risks/opportunities, ESG Action Plans), adopting a regular monitoring approach on ESG aspects related to the Scheme. Monitoring includes the collection of all KPIs representing the social characteristics promoted by the Sub-Fund for periodic reporting and consolidation of indicators at the Fund of Funds level.

The Sub-Fund undertakes to allocate 80% of the portfolio to investments in Target Schemes that promote the above-mentioned social characteristics. Should any funds be identified during periodic monitoring whose strategies are not aligned with the ESG criteria adopted by the Sub-Fund, the SGR undertakes to initiate engagement activities with the relevant managers in order to address the identified issues and promote the adoption of corrective measures consistent with the defined social characteristics.

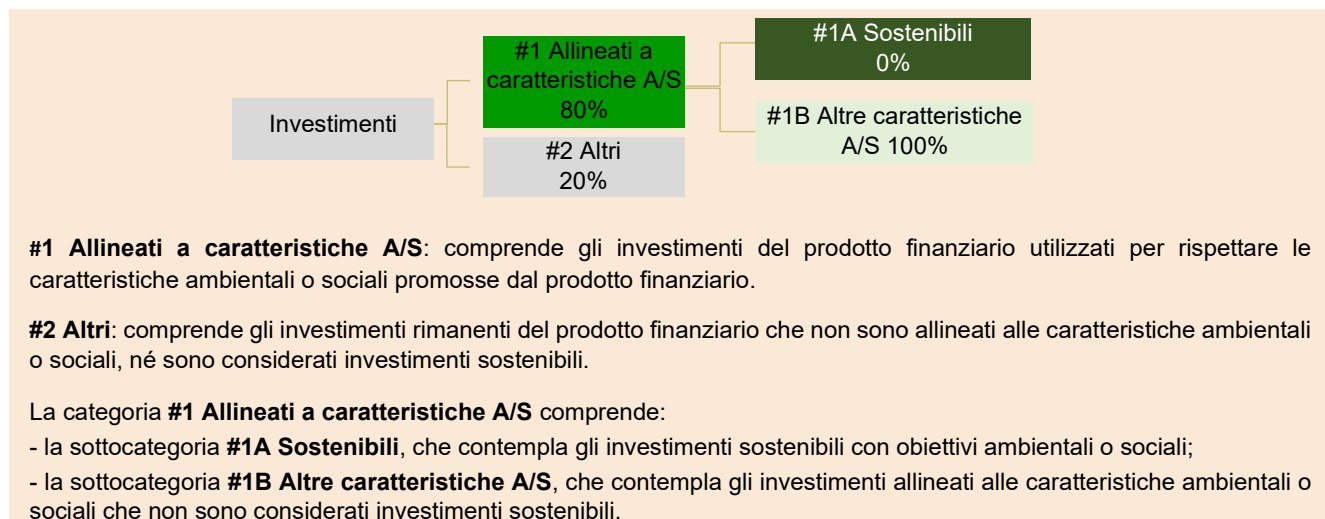
4. Divestment

During the liquidation phase of each Scheme, the SGR ensures that the documentation includes an assessment of the Scheme's ESG performance, based on the evaluation and monitoring model made available by the SGR, including the KPIs related to the promotion of social characteristics observed in the individual portfolio companies over the holding period, in alignment with the Scheme's ESG investment strategy.

(e) Proportion of investments

The Sub-Fund intends to allocate at least 80% of the committed capital invested in third-party managed Schemes to initiatives aligned with the promoted social characteristics. The remaining 20% (#2 Other) may consist of instruments that do not promote the social characteristics pursued, as well as any liquidity held for treasury needs and/or in the interest of Investors and in relation to market conditions.

The allocation of the Sub-Fund's assets can be summarized as follows:



f) Monitoring of the environmental or social characteristics

As already outlined in section (d) “Investment strategy”, the Sub-Fund periodically monitors the sustainability profile and the alignment of the Target Schemes in the portfolio with the promoted social characteristics and, consequently, of the start-ups in which they invest.

The monitoring process includes the sharing, by the Target Schemes, of information on the ESG performance of the investee start-ups with respect to the pool of sustainability indicators identified by the Sub-Fund to measure adherence to the promoted social characteristics, including for example:

- Number of companies invested in by the Target Schemes that promote quality employment, measured through, for example, the following KPIs: (i) adoption of a Code of Ethics or equivalent document; (ii) % of employees with permanent contracts;
- Number of companies invested in by the Target Schemes that promote skilled employment, measured through, for example, the following KPIs: (i) % of employees holding a PhD or a Master's degree; (ii) hours of training beyond the legally mandatory minimum;
- Number of companies invested in by the Target Schemes that promote inclusive employment, measured through, for example, the following KPIs: (i) % of female employees; (ii) % application of a declared and documented non-discriminatory recruitment practice or a D&I policy.

(g) Methodologies

To measure compliance with the promoted social characteristics, the Sub-Fund relies on a framework of indicators inspired by the metrics set out in the Corporate Sustainability Reporting Directive (CSRD), the European Sustainability Reporting Standards (ESRS) – in particular ESRS S1 “Own Workforce” – and the Voluntary Reporting Standard for SMEs (VSMEs). The Sub-Fund recognizes that the ability to capture and report quantitative ESG KPIs varies depending on the stage of development of the start-ups and, accordingly, calibrates the information required from target companies in relation to their lifecycle stage.

The assessment of the promoted social characteristics is carried out both ex-ante and through periodic monitoring, in order to ensure that these characteristics are integrated and continuously enhanced throughout the investment

cycle. To support this process, the SGR has defined minimum requirements for each social characteristic, as outlined in section (d) “Investment strategy”, which the start-ups invested in by the Target Schemes must meet or commit to meeting in order to contribute to the promotion of that characteristic. This approach ensures constant attention to the promoted social characteristics, fostering transparency and reporting of the ESG outcomes of the Target Schemes. It also allows the identification of any shortcomings during monitoring and the timely implementation of corrective measures or support actions, strengthening the ability of start-ups to align with the social requirements defined by the Sub-Fund and effectively contribute to the promotion of the respective characteristics.

(h) Data sources and processing

Data sources used to achieve each of the environmental or social characteristics promoted by the financial product

Data are collected annually through standardized questionnaires provided to the managers of the Target Schemes, who are contractually committed to completing and transmitting the information on behalf of the investee companies, consistent with their characteristics and stage of development, and in alignment with the Scheme’s ESG investment strategy.

Measures taken to ensure data quality

Once received, the data provided by the managers of the Target Schemes undergo a data quality-check process by the SGR, which—in the presence of inconsistencies (e.g., outliers, inconsistent time series)—engages with the third-party managers to request clarifications or additions. The data collection and processing workflow requires continued involvement of the Target Scheme managers, who remain ultimately responsible for the accuracy of the information provided, thereby ensuring that the data collected are reliable, robust, and timely.

Data processing

Data are provided by the target companies through confidential documentation and stored in the SGR’s internal digital systems.

Estimated share of data

The SGR undertakes to use only actual data for the reference period, while reserving the possibility, as a last resort, to use estimated data should actual data be unavailable for reasons not attributable to the SGR.

(i) Limitations of methodologies and data

Given the Sub-Fund’s investment strategy, the availability of data to measure compliance with the promoted social characteristics depends, downstream, on the ability of the investee start-ups to provide appropriate ESG reporting and on the capacity of the Target Scheme managers to collect reliable, robust, and timely data from underlying companies.

(j) Due Diligence

The SGR has put in place structured procedures to assess the compliance of the Target Schemes and their managers with SFDR requirements. These procedures include the implementation, during the investment assessment phase, of an ESG Due Diligence process aimed at verifying the suitability of the underlying Target Schemes and their managers. For this purpose, the SGR uses a proprietary tool that enables a systematic analysis of how environmental, social, and governance factors are integrated into the Scheme’s strategy and investment process, as well as the adequacy of the governance safeguards adopted by the manager and of the due diligence tools and processes implemented to assess the sustainability profile of the investee start-ups. This tool also includes a section specifically calibrated to the Sub-Fund’s strategy, aimed at verifying the alignment of the start-ups invested in by the Scheme with the promoted social characteristics.

The SGR’s investment process includes internal and external controls during the evaluation and finalization of the investment. In particular, the investment team, with the support of internal functions, performs business, legal, and tax due diligence to ascertain, inter alia, the compliance of the target company with the negative screening criteria listed in the Investment Strategy (negative screening – regulatory and ethical screening) and to support the

assessment of the good governance practices of the Target Schemes. In parallel, the SGR completes ESG due diligence using its proprietary screening application to assess ESG adequacy. The collection of information on the specific ESG KPIs required by the SGR is instrumental to formulating a consolidated assessment of the actual contribution of the Target Schemes to the social characteristics promoted by the Sub-Fund.

(k) Engagement policies

The SGR undertakes, on behalf of the Sub-Fund, to initiate engagement and dialogue with the managers of the Target Schemes if, during monitoring, material ESG issues arise in relation to the promoted social characteristics or good governance practices. Such engagement aims to support the resolution of identified issues and promote the adoption of corrective measures consistent with the defined social characteristics.

(l) Designated reference benchmark

No reference benchmark has been designated for the purpose of achieving the environmental or social characteristics promoted by the Sub-Fund.

The document was published on 01/12/2025.