Sustainability-related disclosures for Fonditalia Dynamic New Allocation

This document provides you with a summary of sustainability-related information available on our website about this financial product. It is prepared in relation to Article 10 of the Sustainable Finance Disclosure Regulation (EU) 2019/2088. The information disclosed is required by law to help you understand the sustainability characteristics and/or objectives and risks of this financial product.

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Summary	This Sub-fund promotes environmental or social characteristics.The Investment Manager identifies the sustainable investments according to SFDR on the basis of UN SDGs as described in more detail below in the section “Methodologies”.No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund.There is no minimum commitment to make sustainable investments, however, there may be sustainable investment held in the Sub-fund through Target Funds. Acknowledging that the Sub-fund will invest primarily in the unit/shares of UCITS and/or ETFs and/or UCIs (“Target Funds”): • percentage of the Sub-fund's assets excluding cash that is invested in Target Funds which promote ESG criteria in accordance with Article 8 of the SFDR, or investment strategies with sustainable investment objectives or a reduction in carbon emissions as their objective in accordance with Article 9 of SFDR; • the average annual MSCI ESG rating of the portfolio.Good governance practices are assessed at Target Funds’ level. In relation to the Article 8 Funds and the Article 9 Target Funds: • for index Target Funds (incl. ETFs), UNGC exclusions are used as a proxy until index providers develop clear methodologies. The Investment Manager carries out due diligence on index providers and engages with them on an ongoing basis with regard to index methodologies including their assessment of good governance criteria set out by SFDR which include sound management structures, employee relations, remuneration of staff and tax compliance at the level of investee companies; • for active Target Funds, a Heightened Scrutiny Framework (HSF) applies, in which, starting from a good governance flagged universe (based on a Red-Amber-Green score), an exclusion list is developed and revised in monthly meeting by a dedicated Sustainability Team. An independent governance committee (including members from compliance and from risk team) will review the Sustainability Team recommendations and monitor progress on a quarterly basisThe Sub-fund aims to achieve a positive return in absolute terms for investors, over the long-term regardless of market movements through investing primarily in the units/shares of UCITS and/or exchange traded funds (“ETFs”) and/or undertakings for collective investment (“UCIs”) and derivatives instruments. The Sub-fund’s investments may also include equities, fixed income securities, (which may include some high yield fixed income transferable securities) and cash. The Sub-fund is actively managed. The Sub-fund is not managed in reference to a benchmark. In accordance with the binding element of the investment strategy adopted for promoting the environmental and social characteristics, the minimum proportion of the investments that meet the ESG criteria should be at least 50% of the portfolio (box #1 Aligned with E/S characteristics). The remaining proportion (correspondent to the box #2 Other) of the investments (not included in the investments for promoting environmental or social characteristics should be limited to: • Target Funds that fall within the investable universe and yet are not classified as Art. 8 SFDR nor Art. 9 SFDR; • cash and cash equivalent instruments which may be held as ancillary liquidity or for risk hedging; • derivatives which may be held for hedging and efficiency portfolio management but not for promoting environmental and social characteristic; • securities for which relevant data is not available.
No sustainable investment objective	This Sub-fund promotes environmental or social characteristics, but does not have as its objective sustainable investments.
Environmental or social characteristics of the financial product	The Sub-fund promotes Environmental and Social characteristics through the Target Funds’ selection, which will focus on UCITS and/or UCIs which integrate Environmental, Social and Governance (“ESG”) factors, follow good governance practices, and qualifies under Article 8 or Article 9 of SFDR. In addition, the Target Funds’ selection is based on the Investment Manager’s assessment of the investment process with the aim to ensure the integration of binding ESG criteria and will focus on: • ETFs on major ESG and/or Sustainable and Responsible Investment (“SRI”) indices, designed to ensure the binding inclusion of the best-in-class companies from an ESG and SRI perspective and/or to exclude the ones involved in sectors or whose products or activities may have the potential for negative social or environmental impact; • UCITS and/or UCI which adhere to binding ESG criteria and incorporate them in their investment decisions through a systematic process (based on, but not limited to, ESG research, screening, ratings, provided by external data providers and/or internal research, and/or on exclusion policies) with the aim to select issuers with strong ESG practices and/or to exclude the ones potentially exposed to ESG controversies or involved in specific activities (such as but not limited to controversial weapons, nuclear weapons, tobacco, thermal coal, oil sands, UN Global Compact violators and civilian firearms); • UCITS and/or UCI, including ETFs, whose investment strategies target specific themes related to ESG factors (such as but not limited to climate change, green bonds, circular economy, sustainable energy, future of mobility, healthy living and robotics) aiming to select the issuers that most benefit from them. No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund.

Investment strategy	The Sub-fund aims to achieve a positive return in absolute terms for investors, over the long-term regardless of market movements through investing primarily in the units/shares of UCITS and/or exchange traded funds (“ETFs”) and/or undertakings for collective investment (“UCIs”) and derivatives instruments. The Sub-fund’s investments may also include equities, fixed income securities, (which may include some high yield fixed income transferable securities) and cash. The Sub-fund is actively managed.The Sub-fund is not managed in reference to a benchmark. BlackRock assesses good governance practices of the investee companies by combining proprietary insights and shareholder engagement by the Investment Manager, with data from external ESG research providers. BlackRock uses data from external ESG research providers to initially identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance. Where issuers are identified as potentially having issues with regards to good governance, the issuers are reviewed to ensure that, where the Investment Manager agrees with this external assessment, the Investment Manager is satisfied that the issuer has either taken remediation actions or will take remedial actions within a reasonable time frame based on the Investment Manager’s direct engagement with the issuer. The Investment Manager may also decide to reduce exposure to such issuers. BlackRock is monitoring compliance of the Portfolio on an ongoing daily basis by the using Aladdin.
Proportion of investments	In accordance with the binding element of the investment strategy adopted for promoting the environmental and social characteristics, the minimum proportion of the investments that meet the ESG criteria should be at least 50% of the portfolio (box #1 Aligned with E/S characteristics). The remaining proportion (correspondent to the box #2 Other) of the investments (not included in the investments for promoting environmental or social characteristics should be limited to: • Target Funds that fall within the investable universe and yet are not classified as Art. 8 SFDR nor Art. 9 SFDR; • cash and cash equivalent instruments which may be held as ancillary liquidity or for risk hedging; • derivatives which may be held for hedging and efficiency portfolio management but not for promoting environmental and social characteristic; • securities for which relevant data is not available.
Monitoring of environmental or social characteristics	BlackRock assesses good governance practices of the investee companies by combining proprietary insights and shareholder engagement by the Investment Manager, with data from external ESG research providers. BlackRock uses data from external ESG research providers to initially identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance. Where issuers are identified as potentially having issues with regards to good governance, the issuers are reviewed to ensure that, where the Investment Manager agrees with this external assessment, the Investment Manager is satisfied that the issuer has either taken remediation actions or will take remedial actions within a reasonable time frame based on the Investment Manager’s direct engagement with the issuer. The Investment Manager may also decide to reduce exposure to such issuers. BlackRock is monitoring compliance of the Portfolio on an ongoing daily basis by the using Aladdin.
Methodologies	There is no minimum commitment to make sustainable investments, however, there may be sustainable investment held in the product through Target Funds. Acknowledging that the Portfolio will invest primarily in the unit/shares of UCITS and/or ETFs and/or UCIs (“Target Funds”): • A minimum of 50% of the Portfolio's assets excluding cash shall be invested in Target Funds which promote ESG criteria in accordance with Article 8 of the SFDR,or investment strategies with sustainable investment objectives or a reduction in carbon emissions as their objective in accordance with Article 9 of SFDR. • The Portfolio may invest in Target Funds which do not explicitly integrate ESG factors (i.e., do not necessarily comply with SFDR Article 8 or Article 9), with the specific objective to cover the government bonds asset class. • Other Target Funds, which do not integrate “ESG” factors (i.e., do not necessarily comply with SFDR Article 8 or Article 9), and direct investments may be included in the Portfolio with the specific objective to cover other assets classes ex-government bonds in order to improve diversification, but for no more than 33% of the Portfolio's assets. • The Portfolio shall maintain an average annual MSCI ESG rating equal or above A. Such rating will be assessed on a monthly basis at month-end. In the case of sustainable investment held through Target Funds, such sustainable investments will have different objectives aligned with the respective TargetFund’s ESG Policy. Such objectives will normally be aligned to the Sustainable Development Goals (SDGs). The SDGs include goals such as climate action, sustainable cities and communities, quality education, good health, and well-being, etc. The financial product promotes Environmental and Social characteristics through the Target Funds’ selection, which will focus on UCITS and/or UCIs which integrate Environmental, Social and Governance (“ESG”) factors, follow good governance practices, and qualify under Article 8 or Article 9 of SFDR. To measure how the social or environmental characteristics promoted by the Portfolio are met, the Portfolio uses MSCI ESG scoring as a means of assessing issuers' exposure to and management of environmental and social risks and opportunities. Further details on the MSCI ESG scoring methodology are available at: https://www.msci.com/our-solutions/esg-investing/esg-ratings
Data sources and processing	Data Sources BlackRock’s Portfolio Managers have access to research, data, tools, and analytics to integrate ESG insights into their investment process. Aladdin is the operating system that connects the data, people, and technology necessary to manage portfolios in real time, as well as the engine behind BlackRock’s ESG analytics and reporting capabilities. BlackRock’s Portfolio Managers use Aladdin to make investment decisions, monitor portfolios and to access material ESG insights that can inform the investment process to attain ESG characteristics of the Portfolio. ESG datasets are sourced from external third-party data providers, including but not limited to MSCI, Sustainalytics, Refinitiv, S&P and Clarity AI. These datasets may include headline ESG

	scores, carbon emissions data, business involvement metrics or controversies and have been incorporated into Aladdin tools that are available to Portfolio Managers and employed in BlackRock investment strategies. Such tools support the full investment process, from research, to portfolio construction and modelling, to reporting. Measures taken to ensure Data Quality BlackRock applies a comprehensive due diligence process to evaluate provider offerings with highly targeted methodology reviews and coverage assessments based on the sustainable investment strategy (and the environmental and social characteristics or sustainable objective) of the product. Our process entails both qualitative and quantitative analysis to assess the suitability of data products in line with regulatory standards as applicable. We assess ESG providers and data across five core areas outlined below: 1. Data Collection: this includes but is not limited to assessing the data providers underlying data sources, technology used to capture data, process to identify misinformation and use of machine learning or human data collection approaches. We will also consider planned improvements 2.Data Coverage: our assessment includes but is not limited to the extent to which a data package provides coverage across our investible universe of issuers and asset classes. This will include consideration of the treatment of parent companies and their subsidiaries as well as use of estimated data or reported data 3. Methodology: our assessment includes but is not limited to consideration of the third-party providers methodologies employed, including considering the collection and calculation approaches, alignment to industry or regulatory standards or frameworks, materiality thresholds and their approach to data gaps. 4. Data Verification: our assessment will include but is not limited to the third party providers' approaches to verification of data collected and quality assurance processes including their engagement with issuers 5. Operations: we will assess a variety of aspects of a data vendors operations, including but not limited to their policies and procedures (including consideration of any conflicts of interest) the size and experience of their data research teams, their training programs, and their use of third-party outsourcers. Additionally, BlackRock, actively participates in relevant provider consultations regarding proposed changes to methodologies as they pertain to third party data sets or index methodologies and submits considered feedback and recommendations to data provider technical teams. BlackRock often has ongoing engagement with ESG data providers including index providers to keep abreast of industry developments. How data is processed At BlackRock, our internal processes are focused on delivering high-quality standardized and consistent data to be used by investment professionals and for transparency and reporting purposes. Data, including ESG data, received through our existing interfaces, and then processed through a series of quality control and completeness checks which seeks to ensure that data is of a high-quality before being made available for use downstream within BlackRock systems and applications, such as Aladdin. BlackRock's integrated technology enables us to compile data about issuers and investments across a variety of environmental, social and governance metrics and a variety of data providers and make those available to investment teams and other support and control functions such as risk management. Use of Estimated Data BlackRock strives to capture as much reported data from companies via third party data providers as practicable, however, industry standards around disclosure frameworks are still evolving, particularly with respect to forward looking indicators. As a result, in certain cases we rely on estimated or proxy measures from data providers to cover our broad investible universe of issuers. Due to current challenges in the data landscape, while BlackRock relies on material amount of estimated data across our investible universe, the levels of which may vary from data set to data set, we seek to ensure that use of estimates is in line with regulatory guidance and that we have necessary documentation and transparency from data providers on their methodologies. BlackRock recognizes the importance in improving its data quality and data coverage and continues to evolve the data sets available to its investment professionals and other teams.
Limitations to methodologies and data	Limitations to Methodology Sustainable investing is an evolving space, both in terms of industry understanding but also the regulatory frameworks on both a regional and global basis. BlackRock continues to monitor developments in the EU's ongoing implementation of its framework for sustainable investing and is seeking to evolve its investment methodologies to ensure alignment as the regulatory environment changes. As a result, BlackRock may update these disclosures, and the methodologies and sources of data used, at any time in the future as market practice evolves or further regulatory guidance becomes available. The UN Sustainable Development Goals and sub-targets are used by BlackRock as a list of environmental and/or social objectives. Any assessment will be undertaken strictly in accordance with the methodology set out in the Prospectus. Assumptions associated with the conventional use of the SDGs are not considered as part of the assessment including but not limited to applicable geographical limitations and those commitments that may be limited by time or scope, such as goals that may be applicable only to governments. Limitations in relation to the data sources are noted below. Limitations to Data ESG data sets are constantly changing and improving as disclosure standards, regulatory frameworks and industry practice evolve. BlackRock continues to work with a broad range of market participants to improve data quality. Whilst each ESG metric may come with its own individual limitations, data limitations may broadly be considered to include, but not be limited to: • Lack of availability of certain ESG metrics due to differing reporting and disclosure standards impacting issuers, geographies or sectors • Nascent statutory corporate reporting standards regarding sustainability leading to differences in the extent to which companies themselves can report against regulatory criteria and therefore some metric coverage levels may be low

	• Inconsistent use and levels of reported vs estimated ESG data across different data providers, taken at varied time periods which makes comparability a challenge. • Estimated data by its nature may vary from realized figures due to the assumptions or hypothesis employed by data providers. • Differing views or assessments of issuers due to differing provider methodologies or use of subjective criteria • Most corporate ESG reporting and disclosure takes place on an annual basis and takes significant time to produce meaning that this data is produced on a lag relative to financial data. There may also inconsistent data refresh frequencies across different data providers incorporating such data into their data sets. • Coverage and applicability of data across asset classes and indicators may vary • Forward looking data, such as climate related targets may vary significantly from historic and current point in time metrics. Sustainable Investments and Environmental and Social criteria Sustainable investing and understanding of sustainability is evolving along with the data environment. Industry participants face challenges in identifying a single metric or set of standardized metrics to provide a complete view on a company or an investment. BlackRock has therefore established a framework to identify sustainable investments, taking into account the regulatory requirements. BlackRock uses third-party vendor data in assessing whether investments cause significant harm and have good governance practices. There may be some circumstances where data is unavailable, incomplete, or inaccurate, in which case fundamental assessments may be undertaken, taking a proportionate approach and using reasonable efforts, to identify issues likely to have a significant impact. Despite reasonable efforts, information may not always be available in which case a subjective assessment will be made based on BlackRock's knowledge of the investment or industry. In certain cases, data may reflect actions that issuersmay have taken only after the fact, and do not reflect all potential instances of significant harm.
Due diligence	BlackRock applies a high standard of due diligence in the selection and ongoing monitoring of investments made by the Portfolio for the purpose of compliance with the investment, liquidity and risk guidelines of the Portfolio, as well as the sustainability risk and ESG criteria and general performance. Portfolio Managers are subject to pre and post trade controls within the investment platform where the funds promote environmental or social characteristics, integrate sustainability into the investment process in a binding manner or have a sustainable investment objective. The Investment Oversight team conducts due diligence engagement with the Portfolio Managers and oversees internal restrictions that may expand upon requirements set out in the Portfolio's investment management agreement. The Portfolio Managers also comply with related EMEA policies, including Investment Due Diligence policies which have been updated to integrate sustainability risk. Legal and Compliance have implemented a framework to ensure that the relevant policies and procedures are adopted and complied with by all employees, including Portfolio Managers. The Investment Manager integrates sustainability risks into the investment due diligence process of the Portfolio. The Portfolio Managers of the Portfolio are primarily responsible for considering sustainability risks. They are subject to an oversight framework within the Investment Manager and BlackRock's risk management function, RQA group also provides independent reviews of sustainability risks and the Compliance team provides further oversight and monitors the ESG requirements relevant to each fund and the investment restrictions for each fund. RQA, serves as the second line of defence in BlackRock's risk management framework. RQA is responsible for BlackRock's Investment and Enterprise risk management framework which includes oversight of sustainability-related investment risks. RQA Investment Risk conducts regular reviews with Portfolio Managers to ensure investment teams are advised of relevant sustainability risks, complementing the first-line monitoring and oversight of sustainability considerationsacross our investment platform. RQA also has a dedicated Sustainability Risk Team that partners with risk managers and businesses to reinforce this constructive engagement. RQA collaborates with working groups throughout the Investments Platform and with Aladdin Sustainability Lab to advance the firm's sustainability toolkit through consultation on firmwide data, modelling, methodologies, and analytics. In addition, BlackRock makes data relating to principal adverse impacts available to all Portfolio Managers and BlackRock integrates consideration of the principle adverse impacts of investment decisions on sustainability factors in the investment due diligence process.
Engagement policies	With the aim of preventing, containing and managing the main adverse impacts of investment decisions on sustainability factors, the Management Company conducts engagement actions - both individual and collective with other investors - and exercises its voting rights on the issuers in its portfolio, in order to create awareness and orient the issuers' behaviors towards specific sustainability issues, according to the times and methods formalized in its "Engagement Policy" and in the "Strategy for the exercise of the attendance and voting rights attached to the financial instruments held by the UCITS under management". In this case, the Company informs the issuer about the identified criticalities, directing its decisions towards their immediate reduction. If these actions are not addressed in an effective and timely manner by the issuer, the Company evaluates to initiate specific reduction or disposal initiatives, even of a progressive nature, of the investment in these issuers. The initiatives carried out and the decisions taken regarding these activities are reported and formalized in order to guarantee a thorough traceability of the decision-making processes and outcomes
Designated reference benchmark	No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund .