Statement on principal adverse impacts of investment decisions on sustainability factors

Last update: June 2026

Transparency of adverse sustainability effects at the subject level – Art. 4 SFDR Regulations

Financial market participant: ITAGO SGR S.p.A.

Summary:
As part of its commitment to promoting a responsible investment process, ITAGO SGR (hereinafter "ITAGO" or the "Asset Manager") considers principal adverse impacts (PAIs) of its investment decisions on sustainability factors.

The present consolidated principal adverse sustainability impacts statement covers the reference period from the 1st of January 2025 to the 31st of December 2025. The statement compares data from the 2025 reporting period with the corresponding indicators from 2024 to highlight year-over-year changes.

Reporting boundaries include Portfolio Companies (PCs) present within ITAGO IV Fund in 2025[1]. The structure of the declaration is aligned to the latest guidelines provided by *Final Report on supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council* (hereinafter "Regulatory Technical Standards - RTS")[2].

According to EU Regulation 2019/2088[3], the Principal Adverse Impacts are defined as the "negative effects, material or likely to be material on sustainability factors that are caused, aggravated by or directly linked to investment decisions and advice performed by the legal entity".

ITAGO considers and intends to effectively mitigate, where necessary, Principal Adverse Impacts (PAI) generated by its portfolio companies (PCs) on sustainability factors. In order to assess, monitor and prioritize the PAIs, the Asset Manager has developed a policy (i.e., ESG Policy), a procedure and a monitoring tool which allow to collect and monitor PCs ESG performance including information needed to calculate the 14 mandatory PAIs and one voluntary environmental and one social indicator associated to 2 additional PAIs, based on their materiality for the investee company's business operations, geographic locations and size.

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[1] Please note that reported data on PAIs include the following ITAGO IV Portfolio Companies: SR Mecatronic S.r.l., Teknoice S.r.l., Eco-Techno S.r.l., Apice S.r.l., Engtech S.r.l., Vernici Caldart S.r.l., present within the Portfolio during the FY2025.

[2] Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of 'do no significant harm', specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports.

[3] Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR).

Description of the principal adverse impacts of investment decisions on sustainability factors

ITAGO monitors all mandatory PAIs and two additional indicators from those listed in Table 2 and 3 of Annex 1 of the RTS (i.e., *13. non-recycled waste ratio* and *3. Number of days lost to injuries, accidents, fatalities or illness*). The list of monitored PAIs is reported on the table below.

Indicators applicable to investments in investee companies						
Adverse sustainability indicator		*Metric*	*Impact (year 2025)*	*Impact (year 2024)*	*Explanation*	*Actions taken, actions planned, and targets set for the next reference period*
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions[4]	1. GHG emissions	Scope 1 GHG emissions	385.40 Tonnes of CO2 eq	349.51 Tonnes of CO2 eq	During the reporting period, total Scope 1 GHG emissions increased from 349.51 tonnes of CO_2 equivalent in 2024 to 385.40 tonnes of CO_2 equivalent in 2025. The increase was mainly driven by Engtech, whose Scope 1 emissions rose as a result of higher fuel consumption. This change was partly attributable to the inclusion of ETS within the Group's reporting perimeter following the add-on acquisition, and partly to higher petrol and diesel consumption associated with Idrostudi's vehicle fleet. Excluding the impact of the expanded reporting perimeter, three out of the five Portfolio Companies included in the calculation recorded a reduction in Scope 1 GHG emissions compared with the previous reporting period, mainly due to lower natural gas consumption and/or reduced fuel consumption associated with their vehicle fleets.	ITAGO IV continued to support its Portfolio Companies in the quantification and monitoring of Scope 1 and Scope 2 GHG emissions. During the reporting year, emissions reduction and energy efficiency initiatives were identified and incorporated into the ESG Action Plans prepared for three portfolio companies. Going forward, the Fund will continue to monitor emissions trends across reporting periods and assess further opportunities to mitigate climate-related impacts, where relevant, including through the implementation of actions defined in the ESG Action Plans.
		Scope 2 GHG emissions	228.94 Tonnes of CO2 eq	225.18 Tonnes of CO2 eq	During the reporting period, Scope 2 GHG emissions increased slightly from 225.18 tonnes of CO_2 equivalent in 2024	

[4] For the GHG emissions-related indicators, data coverage (defined as the share of investments in relation to which the adverse impact on sustainability factors could be assessed) amounts to 83%, as a carbon footprint has been performed for 5 out of 6 Portfolio Companies.

					to 228.94 tonnes of CO_2 equivalent in 2025. The year-on-year change was mainly attributable to one Portfolio Company. Unlike in the previous reporting period, no renewable electricity share was reflected in the portfolio company's market-based calculation, as sufficient detailed and verifiable information on renewable electricity consumption was not available for the reporting period. In particular, the available information did not allow a reliable distinction between electricity supported by Guarantees of Origin or equivalent contractual instruments, renewable electricity generated and self-consumed, and electricity purchased under standard supply contracts. Accordingly, a conservative approach was applied in the market-based calculation, and the renewable share that could not be reliably verified was not reflected in the reported value, contributing to the increase in Scope 2 emissions. More detailed information is expected to enable a more accurate calculation in the next reporting period.	
		Scope 3 GHG emissions	N/A	N/A	Portfolio Companies have not yet performed an estimation of their Scope 3 GHG emissions.	The Fund will evaluate the opportunity to integrate Scope 3 GHG emissions into the carbon footprint assessment of Portfolio Companies, based on materiality considerations and data availability. This may include identifying and prioritizing the most relevant Scope 3 categories, particularly for companies whose upstream or downstream activities

						contribute significantly to their overall GHG emissions.
		Total GHG emissions	614.34 Tonnes of CO2 eq	574.69 Tonnes of CO2 eq	The reported value represents the Fund's share of Scope 1 and Scope 2 GHG emissions allocated to its investments in accordance with the methodology set out in the SFDR Regulatory Technical Standards and therefore does not represent the absolute emissions of the Portfolio Companies. During the reporting period, total GHG emissions increased from 574.69 tonnes of CO_2 equivalent in 2024 to 614.34 tonnes of CO_2 equivalent in 2025. The increase was mainly driven by higher Scope 1 emissions, particularly due to higher fuel consumption recorded by one Portfolio Company and the inclusion of an add-on company within the reporting perimeter. The year-on-year change was also influenced, to a lesser extent, by the conservative approach applied to the Scope 2 market-based calculation for one Portfolio Company, as a renewable electricity share that could not be reliably verified was not reflected in the reported value.	Please, refer to the actions considered for GHG emissions scope 1, 2 and 3.
	2. Carbon footprint	Carbon footprint	8.90 Tonnes of CO2 eq / €M	10.49 Tonnes of CO2 eq / €M	The carbon footprint represents the Scope 1 and Scope 2 GHG emissions allocated to the Fund's investments, expressed in tonnes of CO_2 equivalent per € million of the current value of all investments, in accordance with the methodology set out in the SFDR Regulatory Technical Standards. The carbon footprint indicator recorded a decrease from 10.49 tonnes of CO_2 equivalent per € million invested in 2024 to 8.90	Please, refer to actions considered for GHG emissions scope 1, 2 and 3.

					tonnes of CO_2 equivalent per € million invested in 2025. The decrease was driven by the increase in the current value of the Fund's investments, which rose at a higher rate than the associated GHG emissions. In particular, while the Fund's allocated Scope 1 and Scope 2 emissions increased during the reporting period, the current value of all investments increased more significantly, resulting in a lower carbon footprint.	
	3. GHG intensity of investee companies	GHG intensity of investee companies	11.50 Tonnes of CO2 eq / €M	13.14 Tonnes of CO2 eq / €M	The GHG intensity indicator represents the total Scope 1 and Scope 2 GHG emissions of the investee companies, divided by their revenues and weighted according to the proportion of the investment in each company. The GHG intensity indicator decreased from 13.14 tonnes of CO_2 equivalent per € million of revenue in 2024 to 11.50 tonnes of CO_2 equivalent per € million of revenue in 2025. The decrease was mainly driven by lower GHG intensity levels recorded by three Portfolio Companies, reflecting lower GHG emissions relative to their revenues compared with the previous reporting period.	Please, refer to actions considered for GHG emissions scope 1, 2 and 3.
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	0%	None of the Portfolio Companies is active in the fossil fuel sector. Accordingly, the share of investments in companies active in the fossil fuel sector remained at 0%, unchanged from the previous reporting period.	As outlined in the Fund's exclusion list, the Fund does not invest in companies active in fossil fuel-based energy production and related activities (e.g., coal mining, processing, transport and storage; oil exploration and production, refining, transportation, distribution and storage). The Fund will continue to apply these exclusion criteria throughout the investment

						screening and due diligence processes.
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	97.3%	96%	Most Portfolio Companies rely on energy from non-renewable sources, particularly in relation to fuel consumption, which accounted for approximately 74% of total energy consumption in 2025. The share of non-renewable energy consumption increased slightly from 96.0% in 2024 to 97.3% in 2025. The increase was mainly influenced by one Portfolio Company, for which the available information did not allow the renewable share of electricity consumption to be reliably identified or supported by adequate documentary evidence. Accordingly, a conservative approach was applied, and the relevant electricity consumption was not classified as renewable. ITAGO expects that improved data traceability and supporting documentation will enable a more accurate assessment of the renewable electricity share in the next reporting period. With regard to electricity consumption, Enviro and Idrostudi, which are part of Eco-Techno and Engtech respectively, purchase 100% of their electricity from certified renewable sources. In addition, three Portfolio Companies (i.e., SR Mecatronic, Vernici and Teknoice), have installed photovoltaic systems. However, the contribution of self-generated renewable electricity remains limited compared with total energy consumption. The remaining Portfolio Companies purchase electricity under standard supply contracts.	During the reporting year, ESG Action Plans were developed for three Portfolio Companies, including measures aimed at increasing the share of energy sourced from renewable sources. Going forward, ITAGO IV will continue to monitor the energy mix of its Portfolio Companies and, where relevant, support the implementation of initiatives aimed at increasing the use of renewable energy and reducing reliance on non-renewable sources.

	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	0.23 GWh/Million EUR	0.24[5] GWh/Million EUR	The KPI measures the total energy consumption of the investee companies, expressed in gigawatt-hours (GWh), per million EUR of revenue generated by companies operating in high climate impact sectors. During the reporting year, 83% of PCs (5 out of 6) operate in high impact climate sectors according to [6]Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006. Energy consumption intensity decreased slightly from 0.24 GWh per € million of revenue in 2024 to 0.23 GWh per € million of revenue in 2025. The decrease was mainly driven by three of the five Portfolio Companies operating in high-impact climate sectors, which recorded lower energy consumption intensity compared with the previous reporting period.	ITAGO is dedicated to monitoring this aspect supporting Portfolio Companies active in high impact climate sectors in identifying and implementing energy-efficiency measures and initiatives aimed at increasing the use of renewable energy sources.
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0%	0%	None of the Portfolio Companies have sites or operations located in or near biodiversity-sensitive areas where their activities have been identified as negatively affecting those areas. Accordingly, the share of investments associated with this indicator remained at 0%, unchanged from the previous reporting period.	ITAGO is committed to monitoring whether Portfolio Companies' sites are located in or near biodiversity-sensitive areas, assessing the potential negative impact of their activities. This assessment is carried out during both the pre-investment and holding phases, by encouraging Portfolio Companies to report on these aspects. The Fund will continue to engage with portfolio companies to collect relevant information and monitor any potential biodiversity-related impacts.

[5] The 2024 figure has been restated following a reassessment of the sector classification of one Portfolio Company under Regulation (EC) No 1893/2006.

[6] Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains.
Please note that this classification includes most manufacturing industrial activities; therefore, PCs engaged in industrial activities, even if not highly energy consuming, fall within the scope of the Regulation and are accounted for in the KPI.

Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0 Tonnes/ Million EUR	0 Tonnes/ Million EUR	The 2025 performance is consistent with previously reported data, as none of the Portfolio Companies generate emissions to water.	ITAGO intends to monitor this aspect both during the pre-investment due diligence process and during the holding period, by collecting relevant information from Portfolio Companies on potential emissions to water.
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0.73 Tonnes/ Million EUR	0.67 Tonnes/ Million EUR	This indicator captures the amount of hazardous waste generated by 4 out of 6 Portfolio Companies during 2025, expressed in tonnes per € million invested and calculated as a weighted average. The hazardous waste ratio increased slightly from 0.67 tonnes per € million invested in 2024 to 0.73 tonnes per € million invested in 2025. The increase was mainly driven by the higher weighted contribution of hazardous waste generated by Vernici Caldart, which accounted for the majority of the hazardous waste reported during the year due to the nature of its activities. This increase in hazardous waste may be partly attributable to a higher level of business activity, as reflected in the growth in the company's revenues.	ITAGO is dedicated to monitoring hazardous waste generation both during the pre-investment due diligence process and during the holding period, through the collection of relevant information on waste generation, management and disposal practices. Where relevant, the Fund will engage with Portfolio Companies to identify opportunities to improve waste management practices and reduce the generation of hazardous waste.
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Social and employee matters	10. Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%	0%	No Portfolio Companies were identified as having been involved in violations of the UN Global Compact principles or the OECD Guidelines for Multinational Enterprises during the reporting period. Accordingly, the share of investments associated with this indicator remained at 0%, unchanged from the previous reporting period.	During the reporting year, compliance with the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises was assessed as part of the ESG monitoring process and through ongoing engagement activities with Portfolio Companies. No violations were identified, in line with previous reporting years. Going forward, the Fund will continue to monitor these aspects through ESG Due

						Diligence, annual ESG data collection and engagement activities, promoting the adoption of responsible business practices across Portfolio Companies.
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	100%	100%	4 out of 6 Portfolio Companies, have implemented an Organizational Model pursuant the Italian L. Decree 231/2001, aiming at preventing crimes and corrupt practices, including a Code of Ethics and a whistleblowing system. However, the policies and procedures currently in place do not explicitly refer to the UN Global Compact principles or the OECD Guidelines for Multinational Enterprises.	During the reporting year, ITAGO continued to assess the governance and compliance frameworks adopted by Portfolio Companies, including the presence of Codes of Ethics, whistleblowing systems and Organizational Models pursuant to Italian Legislative Decree 231/2001. Based on this assessment, the Fund will continue to engage with Portfolio Companies to strengthen existing compliance mechanisms and, where relevant, promote the adoption or enhancement of policies and procedures aimed at monitoring compliance with the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises. In particular, the adoption of Organizational and Control Models compliant with Legislative Decree 231/2001 has been identified as a priority action for Portfolio Companies that have not yet implemented such safeguards, and it has been included, where relevant, in their ESG Action Plans.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	8.4%	14.7%	According to available data (Eurostat)[7] at EU Level, the average unadjusted gender pay gap is currently below the EU average (11.1 %). The indicator decreased from 14.7% in 2024 to 8.4% in 2025. The decrease was mainly driven by the lower gender pay gap recorded by Vernici Caldart and	During the reporting year, ITAGO continued to monitor diversity and inclusion indicators across Portfolio Companies through its annual ESG data collection process. D&I aspects are assessed, where relevant, during both the pre-investment phase through ESG

[7] Source: [Gender pay gap statistics (Eurostat – 2024)]()

					by Engtech. The year-on-year variation was also influenced by the exit of Operamed from the 2025 reporting perimeter.	due diligence and the holding period through ongoing monitoring activities. The Fund will continue to engage with Portfolio Companies to monitor relevant diversity and inclusion KPIs and, where material, identify potential actions to address any significant gaps or areas for improvement.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	0%	0%	No changes were recorded between 2024 and 2025. The gender imbalance is strictly related to the reported difficulty of the PCs in changing the Board composition (i.e., selecting new Board members with the required experience in the core business of the company), particularly in traditionally male-dominated sectors where the pool of eligible female candidates remains limited.	
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%	0%	No variations were recorded compared to 2024. None of the Portfolio Companies is involved in the manufacture or sale of controversial weapons. Accordingly, the share of investments associated with this indicator remained at 0%, unchanged from the previous reporting period.	As part of the exclusion list, the Fund does not invest in companies active in the production of and trade in armaments and munitions, including cluster munitions and parts or customized elements thereof, anti-personnel mines, nuclear, chemical or biological weapons or depleted uranium munitions.
Additional climate and other environment-related indicators						
Water, waste and material emissions	13. Non-recycled waste ratio	Tonnes of non-recycled waste generated by investee companies per million EUR invested, expressed as a weighted average	1.1 Tonnes/ Million EUR	0.9 Tonnes/ Million EUR	The indicator refers to the amount of non-recycled waste (both hazardous and non-hazardous) generated by the Portfolio Companies per million EUR invested, expressed as a weighted average. The non-recycled waste ratio increased from 0.9 tonnes per € million invested in 2024 to 1.1 tonnes per € million invested in 2025. The increase was mainly driven by Vernici Caldart, which recorded a higher amount of non-recycled waste during the reporting period. At the same time, three Portfolio Companies recorded lower amounts of non-recycled waste	During the reporting period, ITAGO continued to monitor waste generation, recycling and disposal practices across Portfolio Companies through the annual ESG data collection process. The Fund also assessed the main drivers of the increase in the non-recycled waste ratio, with particular attention to the Portfolio Companies contributing most significantly to the indicator. As part of its ESG monitoring activities, ITAGO will continue to collect relevant information on waste generation, recycling and disposal practices across the portfolio. Where relevant, the Fund will engage with Portfolio

					compared with the previous reporting period; however, these reductions did not offset the increase recorded by Vernici Caldart.	Companies to identify potential opportunities to reduce non-recycled waste and improve recycling practices, including through dedicated actions in the ESG Action Plans.
Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters						
Social and employee matters	3. Number of days lost to injuries, accidents, fatalities or illness	Number of workdays lost to injuries, accidents, fatalities or illness of investee companies expressed as a weighted average	91 days	28 days	The weighted number of workdays lost due to injuries increased from 28 days in 2024 to 91 days in 2025. The increase was mainly driven by injuries recorded by four Portfolio Companies, which resulted in a higher overall number of lost workdays during the reporting period. None of the reported injuries resulted in fatalities, permanent disabilities, loss of functionality or other long-term consequences for the employees involved. No injuries were recorded by the remaining Portfolio Companies during the reporting year.	All PCs manage Health and Safety aspects in line with national regulations on Occupational H&S (L.Decree 81/08). Following the reported events, the relevant Portfolio Companies reviewed the circumstances of the injuries and, where appropriate, implemented corrective and preventive measures. These included reinforcing operational procedures and safe working practices, raising employee awareness, providing additional health and safety training, and reiterating the correct use of personal protective equipment. During the next reporting period, ITAGO will continue to monitor occupational health and safety performance through the annual ESG data collection process and ongoing engagement with Portfolio Companies. Where relevant, the Fund will support the implementation of actions aimed at preventing workplace accidents and improving occupational health and safety practices.

Description of policies to identify and prioritize principal adverse impacts of investment decisions on sustainability factors

ITAGO has established a structured and formalized approach, described in the ESG Policy, for the identification and prioritization of principal adverse impacts on sustainability factors. The ESG Policy, last approved by the Board of Directors on 9 May 2023 and periodically reviewed, defines the governance, responsibilities and methodologies adopted to identify, assess and monitor principal adverse impacts on sustainability factors. The Board of Directors oversees the implementation of the ESG Policy, while the ESG Manager is responsible for coordinating and monitoring its effective application across the organization. The investment teams are responsible for implementing the ESG Policy throughout the investment process, including ESG due diligence, monitoring and engagement activities with portfolio companies

During the pre-investment phase, ITAGO proceeds to both adopt exclusion criteria for an initial high-level screening of investment targets and to operate a preliminary assessment of the potential investment opportunities against the principal adverse impacts on sustainability factors, by assessing the material impacts related to the potential investments.
The Asset Manager is supported by third party ESG experts in the identification and prioritization of Principal Adverse Sustainability Impacts using a proprietary tool and through specific ESG Due Diligence assessments that evaluate portfolio company's ESG material topics (based on aspects such as: type of operations, geographic locations, size, etc.). Through an internal data collection tool, on an annual basis, the Asset Manager monitors a set of material ESG KPIs related to PCs including PAIs. Based on the results of the data collection activity, ITAGO engages with its portfolio companies to define remedial actions to be included in specific ESG Action Plans to be implemented during the investment life cycle to minimize adverse impacts, whether identified, and maximize PCs ESG profile.
Data used in the calculation of the Principal Adverse Sustainability Impact indicators come from ITAGO engagement activities with ESG contact person at investee company level who is in charge of the primary data collection. To enhance data quality, ITAGO performs reasonableness and consistency checks on the information received from portfolio companies.

Engagement policies section

As part of its commitment to support the investees in the process of improving their ESG performance, ITAGO promotes active engagement with investee companies, based on dialogue and collaboration.
From the start of the ownership phase, ITAGO actively engages with each investee to define ESG action plans primarily based on pre-investment analysis and ESG Due Diligence results.
Clear responsibilities are set as well, with the appointment of an ESG Contact Person, within the top management of each investee company, in charge of ensuring the implementation of the ESG policy at portfolio company level (i.e., annual reporting to the Asset Manager, action plan implementation, etc.,).
Through the use of the proprietary tool ("Collection and Monitoring Tool"), ITAGO encourages investee companies to actively participate in the performance monitoring process. This allows the collection of data regarding the performance of portfolio companies on ESG indicators, including all the information required to calculate PAI Indicators, and subsequently the identification of the most significant negative effects related to investments.
In addition, ITAGO oversees and monitors the progress of the priority ESG corrective and improvement actions, reported in the ESG Action Plan, resulting from the pre-investment ESG Due Diligence results. Based on the results of data collection activity, ITAGO proceeds to review and update the ESG action plan, in coordination with the ESG Contact Person of each investee, in order to mitigate both ESG risks and principal adverse impacts.
Whether the engagement with Portfolio Companies does not lead to expected results in relation to reducing relevant principal adverse impacts identified, ITAGO may strengthen its engagement efforts, revise the ESG Action Plan, increase monitoring activities and define additional corrective measures together with the portfolio company management.

References to international standards

As a UN PRI signatory, ITAGO is committed to adhere and apply UN PRI's 6 Principles for Responsible Investment in its responsible investment process:

- Principle 1: incorporate ESG issues into investment analysis and decision-making processes.
- Principle 2: be active owners and incorporate ESG issues into our ownership policies and practices.
- Principle 3: seek appropriate disclosure on ESG issues by the entities in which we invest.
- Principle 4: promote acceptance and implementation of the Principles within the investment industry.
- Principle 5: work together to enhance our effectiveness in implementing the Principles.
- Principle 6: each report on our activities and progress towards implementing the Principles.

Historical comparison

The current PAI statement pertains to the fourth year of reporting. ITAGO performs an annual comparison of the Principal Adverse Impact indicators against the previous reporting period to monitor the evolution of sustainability-related adverse impacts across its portfolio. By analyzing trends and changes, ITAGO can identify areas for improvement and evaluate the effectiveness of the sustainability measures and initiatives implemented through the ESG Action Plans.