

1. PURPOSE AND GOALS

DeA Capital Real Estate SGR S.p.A. (hereinafter, “DeA Capital Real Estate” or “the Company”) has always promoted and encouraged the adoption of ethical and legality principles, as well as the respect for human rights in the context of current legislation, also in the field of ESG, considering these to be the base of its strategy. The Company is aware that Environmental, Social and Governance (“ESG”) risk management and the integration of related drivers into its investment procedures improve value creation and business growth in the mid-long term.

As such, DeA Capital Real Estate formalizes its commitment to act as a responsible investor by adopting the following ESG policy (hereinafter, the “Policy”), whose objective is to describe how the Company integrates ESG factors into its own processes and in the management of its products. This Policy applies to all employees of the Company and to all Alternative Investment funds managed by the Company, including SICAFs and related sub-funds, which have sustainable objectives or promote environmental or social characteristics (hereinafter, the “AIFs”).

The Policy takes into account the indications contained in the EU Regulation no. 2088/2019 (hereinafter, “SFDR”) which provides a transparency regime, towards financial market intermediaries, regarding the integration of ESG factors in their decision-making and risk management processes, with reference both to the SGR and AIFs.

2. OUR APPROACH TO SUSTAINABILITY

DeA Capital Real Estate aims at consolidating its leadership in the real estate sector also through ESG risk management, becoming signatory of the *Principles for Responsible Investment* (“UN PRI”) and identifying four key pillars underlying its sustainability strategy.

The main goal of the Company is to take a responsible approach to social and environmental issues, creating value for all the stakeholders: AIFs limited partners, the whole Group, tenants and users of managed assets, as well as related communities.



Act responsibly and promote sustainability within the sector as an investor signatory of UN PRI, adopting a responsible approach to investing with the aim of creating value and increasing industry awareness of the benefits, with particular focus on economic ones, arising from integration and enhancement of ESG factors.



Be People-centric, by investing into well-being and the professional growth of our employees, ensuring a workplace able to improve career development and to attract and retain new talents. In the real estate activities, by maximizing our properties’ ability to generate well-being and comfort, to support our tenants in improving job quality and talent attraction of our tenants.



Development, renovation and management of properties that are efficient and sustainable, by pursuing energy efficiency and lower consumption targets and by actively contributing to *low carbon* economy transition.



Participate to the creation of future sustainable cities in a proactive way, aiming at a sustainable and inclusive urbanization, benefiting from the integration of digital and technologic innovations.

By implementing this strategy, DeA Capital Real Estate contributes to the achievement of ten of the *Sustainable Development Goals of United Nations* (UN SDGs or Agenda 2030), selected according to the impact the Company may have.



3. ROLES AND RESPONSIBILITIES

DeA Capital Real Estate wants to extend sustainability and corporate responsibility risk governance to all levels of management, administration and control.

<p>Board of Directors defines ESG policies and approves the Policy and the products classification according to SDFR.</p>	<p>Remuneration, Risk and Control Committees assess and monitor the ESG factors under their responsibility and report to the Board of Directors.</p>
<p>The Chief Executive Officer is responsible for the guarantee, supervision and implementation of ESG strategies within the Company and ensures the decision-making process on relevant issues.</p>	
<p>The ESG Manager</p> <ul style="list-style-type: none"> ▪ Acts as a focal point for ESG topics and maintains relations with internal and external stakeholders. ▪ Defines the classification of the products according to SFDR, in coordination with the Directorates/Business Functions. ▪ Initiates activities for the improvement of ESG performance and adoption of sustainability principles. ▪ Proposes and coordinates implementation on internal regulations. ▪ Collects requests and questionnaires from external Stakeholders. It coordinates data collection, alongside with specifically appointed advisors. ▪ Elaborates periodic reporting for governance bodies and other reports required by the Internal and External regulations, collaborating with the competent corporate units. 	
<p>The Communication and Press Office Manager elaborates the communication on ESG framework activities and progress, in accordance with the ESGM and involved corporate units.</p>	
<p>Top Tier Function Managers / Executive Directors guarantee ESG principles adoption within their units, as well as the communication of activities and progress related to ESG, in accordance with the ESG Manager and the Chief of Communication and Press Office.</p> <p>The Director of Asset Management, the Director of Real Estate Development, the Managers of the Business Development Department submit the proposed classification of the products to the Board of Directors for approval.</p>	
<p>Second Tier Function Managers are responsible for the valuation and monitoring ESG factors, as well as for ESG data collection.</p>	
<p>Control Functions extend their activities on ESG strategy and contribute to data collection, necessary for the preparation of reporting documentation.</p>	

4. ESG INTEGRATION

By becoming a signatory of *UN PRI* and defining a sustainability strategy, DeA Capital Real Estate commits to integrate ESG topics at all operational levels, on behalf of both the Company and its AIFs.



4.1 ESG INTEGRATION AT COMPANY LEVEL

DeA Capital Real Estate integrates the following responsibility principles:

- **Human Resources management**

The Company is aware that its sustainability and growth are guaranteed by the value of the people who are part of it. It firmly believes that human capital must be protected and enhanced, in respect of gender equality and inclusion principles. As such, the Company is committed to attract and retain the most talented people and to create the best conditions for their personal and professional growth, guaranteeing an inclusive, dynamic and inspiring workplace, which also protect the well-being of the individual and the group.

Furthermore, the Company integrates objectives related to ESG topics and the management of sustainability risks in its remuneration and incentive policies.

- **Governance and business ethics**

DeA Capital Real Estate respects business ethics and transparency principles and complies with domestic legislation and the Code of Ethics, ensuring a proper management of conflicts of interests and corruption, money laundering and terrorism risks. The Company selects partners and outsourcers in line with current legislation, as well as on the basis of their commitment to sustainability, verifying that their principles and values are aligned with those of the Company.

- **Sustainability Risk Management and Principal Adverse Impact**

Due diligence and risk management policies adopted by the Company include the assessment of sustainability risks related to ESG factors and PAI.

DeA Capital Real Estate undertakes to progressively strengthen its risk management system in order to take greater account of sustainability risks and potential impacts on the strategies adopted in line with regulation and best practices.

- **Mitigation of environmental impacts**

The Company defines goals and to promote initiatives to reduce environmental impacts of its offices and activities, as well as to encourage an efficient management of resources. In this context, the Company undertakes to distribute an environmental culture to its internal stakeholders aimed at energy efficiency, waste and emission reduction (and where possible, reductions related to business trips and private transportation of the employees).

- **Cyber-security and data management and protection**

Digital development is fundamental and data is an essential element to monitor the progress and achievement of strategies. The Company progressively adopts policies for the collection, analysis and management of data related to ESG topics (i.e., HR, energy consumption, emissions, etc.), also in order to ensure its quality and adequacy over time. The IT risk is properly managed to protect the privacy of all parties involved and the operation of the Company, pursuant to data protection regulation (GDPR).



4.2 ESG INTEGRATION AT AIFs LEVEL

DeA Capital Real Estate integrates the following ESG principles:

- **Excluded activities and guidelines for tenants selection**

DeA Capital Real Estate does not invest through its funds and investment strategies in any project involving the following:

- activities prohibited by the legislation on the conservation of biodiversity of the Country in which the project is carried out or by international conventions relating to the protection of biodiversity resources or cultural resources;
- the development of projects in protected natural areas or with a negative impact on cultural heritage sites;
- the construction of new buildings for the extraction, storage, transport or production of fossil fuels.

Furthermore, the Company also excludes from its tenants those who carry out production or marketing activities or whose activities are linked to:

- weapons identified and banned by international treaties and conventions;
- pornography and prostitution;
- substances prohibited in the jurisdiction in which the property is located;
- with negative impact on endangered or protected wildlife.

This list is not exhaustive, it can be extended towards other activities identified by the Company and/or AIF clients and potential investors.

- **Investment process**

The responsible approach of the investment activity is reflected throughout investment and new product procedures within *valuation/development* and *renovation, ownership* and *divestment* steps. The Company considers ESG factors and sustainability risks and opportunities of the investment taking into account AIFs characteristics, ESG classification and the expectations of investors and external stakeholders.

Consistently with sustainability pillars adopted by the Company and EU Taxonomy on sustainable activities, in order to reduce sustainability risks, like building obsolescence due to energy inefficiency, the focus is on the following profiles:

- climate change mitigation and the related adaptation capacity, including through energy efficiency and consequent reduction of emissions;
- the sustainable use and protection of resources, both during the design and execution of development and renovation works, including through the use of sustainable materials;
- the transition to the circular economy, also with reference to the reduction and recycling of waste, as well as the prevention and control of pollution;
- the protection of biodiversity and the health of eco-systems, in the selection of sites, in the design and development of real estate projects;
- the well-being, comfort and health of building users, in line with best practices in the sector and in order to ensure people-centric buildings;
- safety and respect for the rights of workers involved in the development, upgrading and maintenance of buildings;
- the involvement of local communities, in order to create buildings that are completely integrated and that interact with the local context in which they are inserted;
- the use of the best cutting-edge technologies to monitor and improve the performance of assets.

- **Investment valuation**

For each investment opportunity, based on AIFs classification, the most relevant ESG factors emerged during due diligence are evaluated in order to: *(i)* complete the investment risk profile, *(ii)* identify opportunities for intervention and *(iii)* estimate the impact of these factors on value creation process.

- **Development and renovation**

For development and renovation projects, ESG factors are considered for the choice of sites, materials, architectural and installation solutions, also in line with voluntary certification standards and sustainability protocols (i.e., LEED, BREEAM, ITACA, WELL, etc.).

Furthermore, the Company promotes creation and development of real estate initiatives and investment policies with underlying social purposes, involving local communities and contributing to their growth (social housing, co-housing and social homes for the elderly, youngster housing, etc.)

The focus is also on the impacts on local communities, activities and services, with the aim of satisfying the needs of the inhabitants, in view of inclusion and enhancement of public spaces.

- **Investment ownership**

Material and mandatory by SFDR ESG metrics, risks and opportunities are monitored and evaluated during the management and ESG objectives definition phases. Action plans defined for AIFs properties, in accordance with each AIF ESG classification, underline improvements that have positive environmental and social impact.

Improvement of energy efficiency and quality of spaces (comfort, well-being, healthiness, etc.) plays a key role in the definition of routine and extraordinary maintenance operations of AIFs properties. Optimization of these factors relies on a cost-benefit analysis which considers the economic availability of the AIF, the ESG objectives and strategies, clients and tenants requirements, as well as asset characteristics.

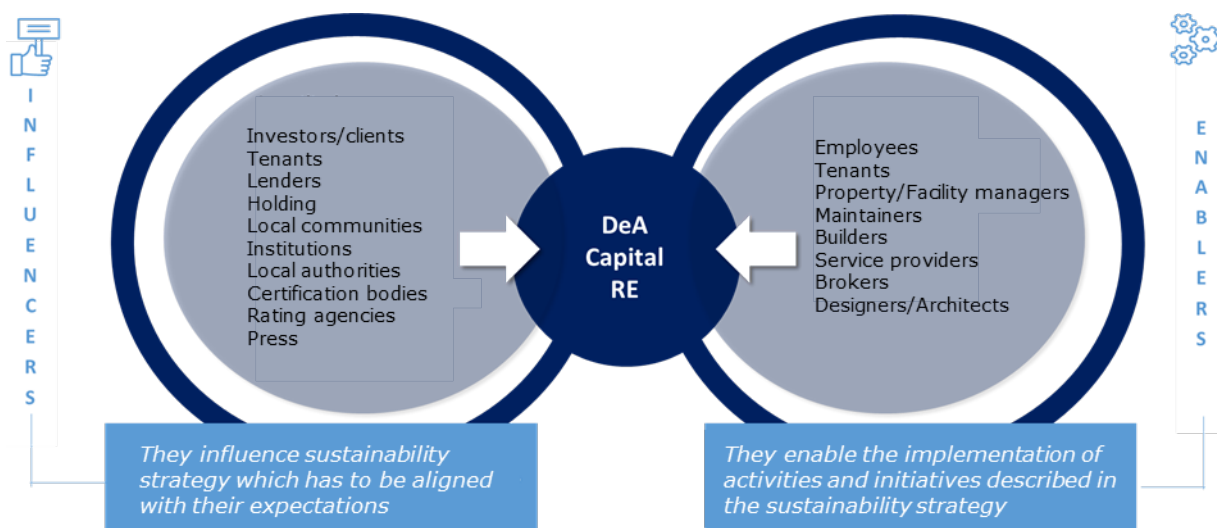
Moreover, regarding extraordinary maintenance operations, technical, economic and financial feasibility of equipping assets with proper instruments which are necessary for monitoring consumptions in order to optimize resource management of AIFs properties.

- **Divestment**

During the divestment phase, when deemed relevant, the activities undertaken with the purpose of improving ESG performance of the asset are reported in specific documentation forwarded to potential buyers. This documentation is prepared in collaboration with brokers.

5. RELATIONS WITH STAKEHOLDERS

DeA Capital Real Estate considers its stakeholders (internal and external) as key players in the achievement of sustainability goals. The Company is committed to integrate ESG topics in the engagement activity with stakeholders.



In order to have a more efficient outreach regarding ESG topics, the Company focuses its communication on every step of the value chain, thus towards both internal and external stakeholders. In particular, DeA Capital Real Estate is committed to:

- actively involve its **human capital** in the path of improvements and achievement on ESG goals, providing proper tools for understanding and manage ESG topics on sustainability, and also verifying results with specific surveys;
- communicate ESG strategy goals and related factors to **AIF investors**, in compliance with SFDR and conflict of interests regulations as well as maintain a positive dialogue with these subjects and potential investors in order to anticipate potential requests;
- involve and outreach **outsourcers** in charge of property and facility management or involved in ESG monitoring and performance, considering their role as intermediaries between the Company and tenants;
- evaluate the knowledges of **advisors and suppliers** in their selection process, through the examination of their ESG qualifications;
- recognize the key role played by **tenants** in the implementation of the ESG strategy: both as building users and owner of data collection necessary for improving ESG performance of the asset. With this purpose, the Company identifies proper advocacy behaviour for an appropriate use of buildings form environmental and comfort perspectives, as well as for monitoring and maintaining key factors for obtained green building certifications. Moreover, DeA Capital Real Estate promotes the "green lease" as a useful tool for value creation which is able to align interests and objectives between tenants and landlords;
- strengthen relations with **banks**, considering the possibility of access to "green financing" which includes specific ESG clauses able to reduce financial expenses.

DeA Capital Real Estate guarantees a periodic and transparent communication integrating an ESG-dedicated section within the Company communication framework.

For the communication related to external subjects, DeA Capital Real Estate is involved: (i) in the UN PRI roadmap which requires answering to an annual questionnaire on ESG performance of the Company and (ii) in the ESG assessment from *Global Real Estate Sustainability Benchmarks* (GRESB), limited to AIFs which adhere to it.

Finally, the Company actively participates to numerous initiatives, promoted by industry associations, specialized press, universities, etc., in order to constantly raise awareness and inform on ESG topics.

6. TRANSPARENCY, COMMUNICATION AND PROMOTION

ESG performance and actions taken by the Company and its managed funds are communicated to the Governance Bodies and to the internal and external stakeholders, in line with SFDR regulation.

6.1 AT COMPANY LEVEL

The Company publishes on its website this Policy, containing the guidelines adopted on sustainability, and additional communications required by ESG disclosure regulation:

- integration of sustainability risks into the investment process;
- consideration of PAI within investment decisions;
- consistency of remuneration policy with sustainability risks.

6.2 AT AIFs LEVEL

In the start-up / marketing phase of AIFs, the pre-contractual information provided to potential investors (i.e. offer documentation) includes specific information about sustainable objectives or ESG characteristics, differentiated according to their ESG classification.

The Annual Reports provides information on the implementation of ESG strategies and their performance, diversified according to their ESG classification:

- AIFs promoting environmental or social characteristics ("Art. 8" SFDR, "light green"), the extent to which environmental or social characteristics are achieved;
- AIFs with sustainable objectives ("Art. 9" SFDR, "dark green"), the overall impact related to the sustainability of the Fund and measured by relevant indicators.

7. SIGNING AND PERIODIC REVIEW OF THE POLICY

The ESG strategies adopted by the Company are subject to annual review by the Board of Directors, in order to ensure coherence with any new guideline taking into account additional internal experiences on the topic.

Whenever necessary, the Policy is reviewed and approved by the Board of Directors, on the proposal of the Chief Executive Officer, through the ESG Manager and the Organizational Function Manager.

DeA Capital Real Estate is committed to maintain stakeholders informed and updated on Policy reviews and updates.

The Policy has been approved by the Board of Directors of DeA Capital Real Estate on July 29, 2021.