

RESPONSIBLE
INVESTMENT
POLICY

2024

Approved by the Board of Directors on 17 December 2024

RESPONSIBLE INVESTMENT POLICY

CREATING VALUE

Innovation

Competitiveness

Sustainability

VISION

Italmobiliare Investment Holding intends to be an inspiration, an example and a reference for all those who want to identify, accelerate and enhance their long-term transformation potential and actively contribute to global challenges, creating sustainable, innovative and therefore more competitive and resilient businesses.

MISSION

Italmobiliare Investment Holding plays an active and continuous role in the process of portfolio growth and enhancement by combining development, internationalisation and innovation with an effective governance and risk management model, and full ESG integration at all stages of investing.

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Guiding principles

The **Code of Ethics** lays down the fundamental principles and rules of conduct. Based on Vision, Mission and Values, they constitute a solid point of reference for sustainable success through the creation of shared value in the long term. Further guidance is provided by the various policies adopted and periodically updated, particularly the Sustainability Policies.

The **Sustainability Policies** extend and integrate the Code of Ethics. The "Guiding principles" are their cornerstone of these and are further detailed in six dedicated policies: Health and Safety, Diversity and inclusion, Environment and Resources, Energy and climate, Rights and Society, Quality and Responsibility.

ESG (Environment, Social and Governance) defines the set of themes used in the financial sector to assess the sustainability of investments and the risk and return profiles of portfolios on economic, governance, environmental and social performance.

Inspired by its Vision, Mission and Values and by adopting the principles and rules of conduct defined by the Code of Ethics and following the guidelines provided by the Sustainability Policies, Italmobiliare Investment Holding manages its flow of investments and disposals in order to guarantee the sustainable success of the Group through the creation of shared value in the long term.

The various components that contribute to Italmobiliare's Net Asset Value (NAV) require careful assessment of market counterparties with which to undertake investments, partnerships and contractual relationships. Each component, managed according to specific internal procedures, helps to achieve the objectives of return on investment, risk diversification and value creation:

- Portfolio companies.
- Equity investments in listed and unlisted companies.
- Investments in private equity funds.
- Financial assets held for trading and cash management.

Among the various elements to be assessed, the prospects for improving the ESG positioning and alignment with Italmobiliare's sustainable strategy play a significant role. To this end, Italmobiliare refrains from any investment or involvement, whether direct or indirect, with entities involved in the production, marketing, use or trade of illegal products or activities. Other ascertained direct or indirect practices also lead to exclusion: for example corruption, money laundering, human rights violations, activities in conflict zones, violations of the fundamental principles of labour, production of goods harmful to health, the environment and morality, an obstacle to sustainability in general.

Italmobiliare assigns priorities and mobilises financial resources in a targeted and selective manner, thereby contributing to global challenges and, at the same time, protecting and strengthening financial performance for the benefit of shareholders and all other stakeholders.

- Some sectors have direct or indirect negative impacts that even Italmobiliare's transformative capacity cannot overcome. Italmobiliare does not invest in these sectors.
- Other sectors may have direct or indirect impacts that are negative, but less so. Italmobiliare can engage with these companies if they show a willingness to adapt or diversify their activities, also with the support of Italmobiliare's transformative capability.
- Some companies only partially operate in critical sectors. By adopting materiality thresholds, Italmobiliare can engage with these companies if they show a willingness to adapt or diversify their activities, also with the support of Italmobiliare's transformative capability.

The sectors and activities subject to particular attention are detailed in the section "Sector criteria".

By signing up for the United Nations Global Compact, Italmobiliare has adopted the Ten Principles relating to human rights, labour standards, environmental protection and the fight against corruption, and promotes their adoption in all Group activities and companies.

It also actively contributes to achieving the Sustainable Development Goals, with a sustainable strategy that targets at least the following six objectives, aimed at creating shared value. Portfolio Companies add additional Goals based on specific business sectors.

ENVIRONMENT



Ensure sustainable consumption and production patterns, through the responsible use of resources, the implementation of regenerative production cycles, product stewardship and the promotion of conservation-oriented lifestyles and consumption.

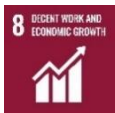


Take urgent action to combat climate change and its impacts, fostering the low-carbon transition in line with the Paris Agreement, through science-based targets.

SOCIETY



Achieve gender equality and empower all women and girls, for operational efficiency and social inclusiveness, actively promoting the implementation of the Women Empowerment Principles.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all, through diversification, innovation, safe and protected work environments, social and professional growth.

GOVERNANCE



Promote peaceful and inclusive societies for sustainable development; provide access to justice for all and build effective, accountable and inclusive institutions at all levels, starting from sustainable governance and business integrity.



Strengthen the means of implementation and revitalize the global partnership for sustainable development, through responsible investments aimed at creating shared value and bringing global challenges to the agenda of economic organizations.

UN Global Compact

It promotes the creation of a more inclusive and sustainable global economy. Italmobiliare joined in May 2020, pledging to share, support and apply the Ten Principles, relating to human rights, labour standards, environmental protection and the fight against corruption and to support the objectives of the United Nations, including the Sustainable Development Goals.

Sustainable Development Goals

On 25 September 2015, the United Nations General Assembly adopted the 2030 Agenda for Sustainable Development, which is divided into 17 objectives - the Sustainable Development Goals (SDGs) - and 169 sub-objectives (targets). The SDGs and related targets identify global priorities for 2030, also valid for business, and define an integrated action plan for people, the planet, prosperity and peace.

Science Based Targets initiative (SBTi)

is a global initiative that promotes the adoption of science-based targets to address climate change. Italmobiliare has committed to SBTi and has adopted short- and long-term decarbonization targets towards Net-Zero.

Women Empowerment Principles (WEP)

Promoted by the UN Women and the United Nations Global Compact, they commit Italmobiliare, which joined them in July 2020, and all the other signatories in favour of gender equality and female empowerment in the workplace, in the economy and in the community.

Responsible investments:

Italmobiliare refrains from any investment or involvement, whether direct or indirect, with entities involved in the production, marketing, use or trade of illegal products or activities. Other ascertained direct or indirect practices also lead to exclusion, such as corruption, money laundering, human rights violations, activities in conflict zones, violations of the fundamental principles of labour, production of goods harmful to health, the environment and morality, an obstacle to sustainability in general.

PRE-INVESTMENT	Negative screening (sector criteria)	Coal, oil and gas Conflict minerals and other minerals Gambling GMOs and cloning Nuclear energy Pornography	Recreative drugs Sectors or activities with high water impact Sectors or activities with high forest impact Tobacco Weapons	
	Positive screening	Capacity and willingness to contribute effectively to the SDGs Promotion of social or environmental characteristics and good governance (e.g. SFDR art. 8 or 9 for funds)		
	Due diligence	ESG insights extended to the entire value chain, including preliminary assessment of exposure to climate risks (TCFD) and alignment with the EU taxonomy		
	Investment	Investment contracts, shareholder agreements and related documents with ESG clauses		
ACTIVE OWNERSHIP	YEAR 1 ESG INTEGRATION	Commitments and documents in the ESG section of the web	Imprinting	BoD "diverse" and qualified Adhesion to the UN Global Compact Signature of the Women's Empowerment Principles Commitment to the Science Based Targets initiative Use of 100% renewable electricity
			Governance	Code of Ethics Sustainability Policies Model 231 (anti-offenses) Partnership Charter
	YEAR 2+ VALUE CREATION		Strategy	Materiality ESG & SDG ratings Gap analysis ESG plan
			Environment	Decarbonization (Science Based Targets) Renewable or recycled materials Responsible packaging No deforestation Biodiversity
			Society	Diversity, equity and inclusion Health, safety and well-being Continuous training Career management Product/service stewardship Community investments
			Governance	Sustainable procurement Certified management systems ESG ratings Sustainability reporting
DIVESTMENT (OR NEW CYCLE)	ESG information	Transparency on ESG performance and sustainable transformation achieved		
	Mission lock	Search for a buyer that can continue the ESG process		

ESG roadmap

PORTFOLIO COMPANIES		PRIVATE EQUITY AND OTHER FUNDS	OTHER INVESTMENTS		
Controlled	Affiliate	Clessidra funds	Other funds	Listed	Unlisted
✓	✓		✓	✓	✓
✓	✓		✓	✓	✓
✓	✓	✓ The Clessidra Group, controlled through the ownership of 100% of the shares of Clessidra Holding, is not subject to the management and coordination activity of Italmobiliare.		✓	=
✓	✓			=	=
✓ Elements included as explicit clauses in investment contracts, where there are minority shareholders, and implemented in all companies through annual/multi-year ESG Plans with the full support and coordination of the Investment Management Department and the Sustainability Department. The support activity includes: <ul style="list-style-type: none"> Continuous coaching, training and managerial support to all portfolio companies Monitoring of the progress of ESG Plans and leading KPIs through operational dashboards and monthly meetings. ESG update as the first item on the agenda of all Boards of Directors of holding and portfolio companies Monitoring, data collection and reporting in line with the Group's best practices and legal requirements (CSRD, Taxonomy, SFDR) 	✓ Elements inserted as explicit clauses in shareholder agreements or related documents. The Participation Management Department and the Sustainability Department offer full availability to support companies in ESG implementation. The support activity includes: <ul style="list-style-type: none"> Continuous coaching, training and managerial support to all portfolio companies Periodic monitoring throughout the year of the progress of ESG Plans and leading KPIs through operational meetings. ESG update as the first item on the agenda of all Boards of Directors of holding and portfolio companies Monitoring, data collection and reporting in line with the Group's best practices and legal requirements (CSRD, Taxonomy, SFDR) 	✓ In any case, the Clessidra Group shares the founding principles of Italmobiliare's ESG strategy, transferring and harmonizing them to the specificity of the activities and portfolios managed. Therefore, the Clessidra Group Companies and in particular the SGRs that manage funds, namely Clessidra Private Equity and Clessidra Capital Credit, manage the ESG approach of their respective portfolios following their own governance documents and investment, management and divestment procedures. The implementation of ESG activities in the portfolio companies takes place with the full support and coordination of the Investment Teams and the Sustainability function. The depth of the action depends on the asset class (private equity, private debt, other), the SFDR classification (art. 6, 8, 9) and the participation shares. In line with Italmobiliare's decarbonization objectives, the adoption of Science Based Targets is required for all investments in: <ul style="list-style-type: none"> listed companies unlisted companies with equity > 25% and board seats. 	Elements considered preferential and monitored.	✓ Science Based Targets required as prerequisite. Other elements considered preferential and monitored.	= = = =
✓	✓		=	=	=
✓	✓		=	=	=

Italmobiliare refrains from any investment or involvement, whether direct or indirect, with entities involved in the production, marketing, use or trade of illegal products or activities. Other ascertained direct or indirect practices also lead to exclusion, such as corruption, money laundering, human rights violations, activities in conflict zones, violations of the fundamental principles of labour, production of goods harmful to health, the environment and morality, an obstacle to sustainability in general.

PRE-INVESTMENT

Negative screening (sector criteria)

The exclusions are described in the chapter "Sector Criteria". Further elements may be defined in the investment contracts, in the Shareholder Agreements (Parliamentary Agreements) or other related documents.

Positive screening

Potential to contribute to one or more SDGs or in any case to create social or environmental benefits through processes, products, or services.
Promotion of environmental or social characteristics and good governance practices.
Environmental or social impact.

Due Diligence

Investigation and analysis of data and information aimed at identifying and evaluating risks and opportunities, both to negotiate the terms and conditions of the contract and to prepare adequate guarantee, indemnity or compensation instruments.

Italmobiliare integrates its ESG strategy into the pre-investment process. The specific sector exclusions (**negative screening**) from the investment activity are in line with what is reported in the chapter "Sector criteria". Additional elements may be defined in the investment contracts, shareholder agreements or other related documents. The investment process also includes a **positive screening**, which assesses the alignment with Italmobiliare's sustainable objectives.

Once it has been verified that the target does not operate in one of the sectors present in the list of excluded activities, the Investment Team, composed of the relevant corporate functions (Investment Management Department, Development and Acquisitions Department, Finance Department) and the Sustainability Department, proceeds to identify the potential material aspects that will be subsequently analyzed during the due diligence activities.

The opportunities for which the preliminary study is approved are subjected to a **due diligence** process, which also includes the assessment of maturity with respect to ESG principles and performance, both in absolute value and with reference to sector benchmarks. The data provided by the target, the opinions and studies conducted by any experts consulted and publicly available data and information are used. The ESG profile of the target company allows to identify any risks and opportunities for value creation that can be promoted and unlocked during the life cycle of the investment. The approach covers all ethical, governance, social and environmental considerations considering the entire value chain. The information collected and the assessment of the ESG profile are included in the investment memos. The depth of the analysis depends on the type of investment (e.g. controlled participation, qualified minority, simple minority, investment or co-investment in funds, listed or unlisted financial investments).

The results of the due diligence are assessed by the Investment Team within the scope of the foreseen **operating procedures**. In the event of a positive outcome, the guidelines of the operation are submitted to the Board of Directors for consideration before proceeding with the negotiation phase. At the conclusion of the negotiation activity, the transaction, subject to the approval of the Managing Director, is submitted to the Board of Directors for final approval and start of the execution phase.

Where necessary, (controlling shareholdings, qualified minority or simple minority), the contracts, the shareholder agreement (parasocial agreements) or related documents describe the terms of the investment agreement and the management methods, also outlining the rights and obligations of the shareholders themselves, including the ESG implementations described in the following paragraph.

ACTIVE OWNERSHIP - Year 1

In the onboarding year (Year 1), the foundations of sustainable investment management are built, formalizing commitments, structuring governance and orienting strategy.

Investment Management – Portfolio Companies

The internal procedure GP.010 regulates the active management of controlled, jointly controlled or affiliated participations or of any other considered strategic.

Imprinting

Portfolio companies visibly express their **commitment to sustainability**, communicated through the sustainability section of the **website**, by:

- adopting a “diverse” and qualified Board of Directors;
- adhering to the UN Global Compact;
- subscribing the Women’s Empowerment Principles;
- formalizing the commitment to decarbonization with the Science Based Targets initiative;
- guaranteeing the use of 100% renewable energy.

Governance

Portfolio companies adopt a sustainable governance through **corporate identity documents** harmonized with those of Italmobiliare, and expression of a set of Vision, Mission and Values oriented towards sustainability and made available to the public through the sustainability section of the **website**.

- Code of Ethics
- Sustainability Policies.
- Model 231 (anti-offenses)
- Partnership Charter

The organizational structure of the portfolio companies is aligned with the needs for better management of the ESG approach, through the identification of an ESG focal point, the progressive definition of functional managers for the material thematic areas, the provision of an appropriate induction to all management and the subsequent maintenance of ESG training, constantly updated to the Group’s objectives.

Strategy

Italmobiliare puts its transformative capacity at the service of its subsidiaries or affiliates for the implementation of the ESG maturation path. In this path, the United Nations Sustainable Development Goals (SDGs) constitute a complete reference for analysing and orienting the sustainable evolution of the portfolio companies over the investment cycle.

Dedicated evaluation and planning tools support the first strategy definition steps:

- **materiality** analysis, i.e. the identification and evaluation of impacts, risks and opportunities, crossing the interests of the companies and the expectations of the stakeholders;
- evaluation of **ESG maturity** through B Impact Assessment and SDG Action Manager;
- gap analysis and definition of the **ESG plan** for Year 2, i.e. the first program of actions to improve integrated economic, social and environmental performance.

B Impact Assessment (BIA)

Developed by B Lab, it is a tool for assessing sustainable performances, such as dynamic self-assessment, benchmarking and continuous improvement. It allows you to set growth objectives in the most strategic areas where development potential remains high.

SDG Action Manager

Developed by Global Compact together with B Lab, it integrates BIA as an assessment tool of one’s contribution to the United Nations’ Sustainable Development Goals.

ACTIVE OWNERSHIP - Year 2+

Once the onboarding year (Year 1) is completed, the portfolio companies are required to activate solid strategic initiatives in environmental, social and governance matters. The initiatives, progressively included in the annual ESG plans of the individual portfolio companies, meet both the Group's objectives and the specificities identified for each through the materiality analysis. Below are the most significant initiatives adopted.

Environment

- Decarbonisation strategy according to the Science Based Targets initiative;
- Promotion of the use of renewable or recycled materials
- Responsible packaging and reduction of plastic consumption
- Commitment to non-deforestation
- Protection of areas of interest for biodiversity

Society

- Health, safety and well-being
- Diversity, equity and inclusion
- Human capital development through continuous training and career management;
- Social initiatives and community investment;
- Product/service responsibility

Governance

- Certified management systems as operational support for corporate identity documents;
- Sustainable procurement;
- Transparency on integrated performance through sustainability reporting;
- ESG rating.

DIVESTMENT (OR NEW CYCLE)

Before exiting from an investment, Italmobiliare undertakes to disclose relevant **ESG information** on the companies in its portfolio to the potential buyer, highlighting and demonstrating the sustainable transformation achieved.

As much as possible, the selection of the buyer also takes into consideration the opportunity to continuing the ESG process (**mission lock**).

Sector criteria

Without prejudice to the screening and due diligence activities described in the previous chapters, a description of the main sectors and activities subject to particular attention is provided below. The list, which should not be considered exhaustive, is periodically updated or supplemented. The order is alphabetical.

COAL, OIL AND GAS

The fight against climate change is one of Italmobiliare's objectives.

Companies that derive revenue from exploration, extraction, distribution (including transportation, storage and trade) or refining of hard coal, lignite, unconventional oil (e.g. shale oil, tar sand) and unconventional gas (e.g. shale gas) are admitted to investment only for minor trading activities and targeting exclusively companies that formally and through publicly accessible sources demonstrate that they have significant initiatives underway for decarbonisation, mitigation, offsetting or sequestration of greenhouse gas emissions; in other words, they are making a significant contribution towards adapting to climate change. Particular attention is given to mining activities in the Arctic environment. The same criterion applies to energy-intensive companies that derive more than 20% of their energy needs from coal or petroleum derivatives.

Companies that provide services to these sectors are eligible for investments provided that the specific activity does not exceed 20% of their revenue.

In line with the European taxonomy, Italmobiliare recognizes conventional natural gas and LPG (liquefied petroleum gas) as fossil energies capable of contributing to the general objectives of the Paris Agreement as transitional energy sources. Companies active in this sector are eligible for investment.

CONFLICT MINERALS AND OTHER MINERALS

Italmobiliare does not invest in companies directly or indirectly involved in so-called "conflict minerals". Furthermore, it does not wish to be involved in activities, even if legal, that are directly or indirectly connected to the extraction, processing and marketing of other minerals that originate from areas with high social, political or economic vulnerability or are considered problematic for governance, social or environmental issues.

GAMBLING

Italmobiliare does not wish to be involved in activities, even if legal, that have proven negative effects on people's mental health and the ability to create addiction. Italmobiliare does not invest in gambling, whether online or offline, nor in diversified companies that include similar activities.

GMOs AND CLONING

Italmobiliare adopts the principle of "do no harm" and does not wish to be involved in activities that could have negative effects on people's health and on biodiversity. While recognizing that life sciences and biotechnologies have significant potential for innovation and wellbeing, according to the precautionary principle, Italmobiliare does not invest in companies that derive more than 20% of their revenue from the production, trade and production of components associated with GMOs.

Practices aimed at human cloning or eugenics are strictly excluded.

NUCLEAR ENERGY

The supply of fuel and the production of nuclear energy entail negative externalities that cannot be overcome by Italmobiliare's transformative and management capacity. Therefore, Italmobiliare does not invest in nuclear energy or in companies, even diversified ones, that also provide services to nuclear power plants.

PORNOGRAPHY

Italmobiliare does not wish to be involved in activities, even if legal, connected with adult entertainment. So Italmobiliare does not invest in any area of the pornography industry.

RECREATIONAL DRUGS

Italmobiliare does not wish to be involved in activities, even if legal, that have proven negative effects on people's physical and mental health and the ability to create addiction. Therefore, it does not invest in companies whose focus is the manufacture, trade, procurement, production, storage or transport of narcotic drugs and psychotropic substances.

The legality of some substances can vary from country to country, as in the case of cannabis. In any case, Italmobiliare does not invest in companies involved in cannabis unless it is used for exclusively therapeutic purposes.

SECTORS OR ACTIVITIES WITH HIGH WATER IMPACT

Italmobiliare does not wish to be involved in activities, even if legal, that may have a negative impact on water security.

Therefore, Italmobiliare does not invest in activities contributing to water pollution or depletion, or otherwise having a negative impact on water.

Whenever relevant, investments are in line with global plans for transitioning to a water secure world or concern activities contributing to water security including water and sanitation services, water resource management and the responsible use of water in agriculture.

SECTORS OR ACTIVITIES WITH HIGH FOREST IMPACT

Italmobiliare does not wish to be involved in activities, even if legal, that may have a negative impact on the state of forests.

Therefore, Italmobiliare does not invest in unsustainable production of commodities contributing to deforestation or other activities having a negative impact on forests.

Where relevant, investments promoted are in line with global plans for transitioning to deforestation and forest conversion free world or involve the production of commodities in a way that supports sustainable economic development and the global transition to sustainable production.

TOBACCO

Italmobiliare does not wish to be involved in activities, even if legal, that have proven negative effects on people's physical and mental health and the ability to create addiction.

So Italmobiliare does not invest in the cigarette sector, in particular manufacturers and wholesalers of cigarettes, tobacco, electronic cigarettes and associated smoking products.

Italmobiliare does not invest in tobacco leaf growing companies unless the production is intended exclusively for medical purposes.

WEAPONS

Italmobiliare adopts the "do no harm" principle applied to the defence industry and recognises the risks to sustainability posed by the arms industry in general. So it does not invest in companies involved in the production, sale, storage and services related to anti-personnel mines, cluster bombs, nuclear, biological, chemical, depleted uranium weapons, blinding lasers, fragment ammunition, incendiary weapons, conventional weapons that can be considered excessively harmful or having indiscriminate effects, small arms, light weapons and goods that have no practical use except "death penalty, torture or other cruel, inhuman or degrading treatment or punishment".

Italmobiliare acknowledges that some equipment, services and software may also be intended for self-defence or civil use. The companies involved are eligible for investment as long as these activities do not exceed 20% of their revenue.

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