

Kervis SGR S.p.A. (the “SGR” or the “Company”) since ever shares and promotes ethical principles of legality, integrity, and non-discrimination, as well as a commitment to sustainable development and responsibility towards the community.

Responsible investment management must take into consideration the growing importance of sustainability issues, and therefore requires that so-called sustainability factors be appropriately taken into account in investment decisions and investment management.

The sustainability factors to be considered are usually indicated with the acronym ESG, i.e. Environmental, Social and Governance: by way of example, as regards the SGR's business sector from an environmental point of view, best practices include control of greenhouse gas emissions, waste, the efficient use of energy and water (practices that are often reflected in real estate certifications issued by third-party professional bodies), while from a social and governance point of view, these best practices relate to issues such as inclusion, collaboration with communities linked with the managed properties, and corporate governance issues that deal with matters of conflicts of interest and the promotion of ethical codes of conduct.

The company, as manager of real estate AIFs, has always considered that all its operating decisions have environmental and social implications and believes that a rigorous approach to so-called ESG issues is in the best interests of all stakeholders (shareholders, investors, partners, associates, tenants and in general all parties in relation to the company's business and the managed real estate investments) and more generally of the community.

In relation to the foregoing, the SGR has adopted company policies that consider aspects of “Social and Governance” (Code of Ethics, Conflict of Interest Management Policies, etc.), with the aim of promoting ethical behaviour by personnel and suppliers and enhancing the working environment and protecting the health and well-being of employees.

As regards “environmental” factors, adaptation to environmental legislation and improving the energy efficiency of assets is a key aspect in defining the strategies for the maintenance and requalification of AIFs properties.

In this regard, for all investment decisions, the SGR carries out assessments on the related environmental impacts of the assets, also taking into account scheduled maintenance interventions and/or building requalification.

In order to align with market best practices in terms of managing ESG risks, from FY 2020 the Company, supported by external international consultants, launched a structured process for including ex post analysis and measurement of ESG factors in the context of its activity as a real estate manager.

This process will lead to the redefinition and possible adaptation of the internal procedural corpus, with the aim of integrating and/or improving the documentation of the analysis of ESG factors in the activity and their impact in company decisions, as well as to quantify better the effects of investment decisions, particularly at the environmental level.