

Sustainability Policy

The company ELETTROSUD SRL considers the management of relationships with its stakeholders, customers, shareholders, employees, financial advisors, institutions, and all those who have, in any way, contacts with the Company to be of primary importance. Aware of the relevance of its activities, ELETTROSUD SRL has undertaken a path aimed at integrating its values and principles of sustainability into its business strategy and daily operations. Respect for these principles is essential both within the company and towards the subjects already mentioned, for the purposes of creating value in the short, medium and long term.

The commitment and interest of ELETTROSUD SRL towards environmental, social and corporate governance (ESG) issues is also realized through the adoption of this Policy, which aims to spread the principles to all subsidiary. These principles set out in the Policy play an increasingly important role in the daily activities of the Company.

The Sustainability Policy (hereinafter also the "Policy") was therefore born from the need to define general guidelines and to formalize in a single document the values and principles that guide the company in the way it operates and in the conduct of relations, both internally and towards third parties.

The principles listed in this Policy are implemented in line with local regulations and international references on sustainability.

This Policy is divided into five areas considered priority. For each identified area, the principles, objectives and related management methods will be reported below:

- Protection of workers and human rights
- Responsible marketing practices
- Community support
- Responsible investments

- Environmental Protection

This Policy is developed around the sustainability model outlined in the *Code of Ethics*, which identifies a set of principles considered priorities, able to guide the company's modus operandi and generate positive externalities in terms of sustainable development.

The 2030 Agenda for Sustainable Development adopted on 25 September 2015 by the United Nations General Assembly and the related 17 Sustainable Development Goals (SDGs).

As part of its activities and pursuing the principles listed in this document, Elettrosud stl is committed to contribute to the achievement of the 17 Objectives, making its contribution in particular to the achievement of the following SDGs:

- *SDG 1: End all forms of poverty in the world*
- *SDG 2: End hunger, achieve food security, improve nutrition and promote sustainable agriculture*
- *SDG 4: Provide quality, fair and inclusive education and learning opportunities for all*
- *SDG 5: Achieve gender equality and empower all women and girls*
- *SDG 7: Ensure everyone has access to affordable, reliable, sustainable and modern energy systems*
- *SDG 8: Encourage long-lasting, inclusive and sustainable economic growth, full and productive employment and decent work for all*
- *SDG 9: Build resilient infrastructure and promote innovation and fair, responsible and sustainable industrialization*
- *SDG 10: Reduce inequality within and between nations*
- *SDG 13: Promote action, at all levels, to combat climate change*
- *SDG 17: Strengthen the means of implementation and renew the global partnership for sustainable development*

Environmental, social and corporate governance (ESG) issues can influence over time the performance of managed portfolios, at the level of individual company, sector, area and business class.

In recognizing the importance and value of ESG issues, Elettrosud intends to progressively integrate ESG criteria into investment strategies and processes, at the same time identifying, monitoring and engagement strategies. All this, in order to ensure that the investment activities considered as a whole are carried out in the exclusive interest of customers and with the aim of increasing over time the value of investments through a policy inspired by the principles of socio-environmental responsibility.

Elettrosud is committed to:

incorporate environmental, social and governance aspects into investment analysis and decision-making processes. In particular, (i) integrates the analysis of ESG factors into its investment process, (ii) evaluates the capabilities of asset managers and more generally of the counterparties with which it operates, (iii) supports professional training on ESG issues at its internal and in the investment sector; operates as an active shareholder, integrating ESG issues into shareholder policies and practices. Elettrosud (i) dialogues with its counterparties regarding ESG issues, (ii) collaborates as far as possible - also with other investors - in engagement activities, (iii) asks investment managers to support and report on their activities of engagement on ESG issues and (iv) also participates through the trade associations to which it adheres to the development of policies and regulations, as well as in the definition of standards that can be accepted by the relevant industry; requires adequate communication on ESG issues by the issuers being invested in. The SGR (i) requests information from counterparties on the adoption of norms, standards, codes of conduct or international initiatives for corporate sustainability, (ii) supports shareholder initiatives and resolutions that promote more information on ESG issues; promote the acceptance and implementation of the Principles in the financial sector.

Elettrosud (i) ensures that its investment management process applies long-term time horizons when appropriate and (ii) consequently applies incentive policies inspired by the principle of sustainability mentioned here; (iii) also through trade associations, encourages the development of rules and policies capable of allowing the application of sustainability principles and policies;

collaborate with operators and industry entities to improve effectiveness in the implementation of the Principles.

In line with the Principles and Elettrosud intends to consider, as a company, as an employer and in relation to the portfolios managed, environmental, health, safety, social and good corporate governance issues within its decision-making processes.

The Company pursues the objective of improving the long-term performance of the portfolios managed and minimizing negative impacts also through:

compliance with sector regulations;

the development of strict procedures;

the use of governance structures that ensure adequate levels of control over the areas of audit, risk management and potential conflicts of interest.

This policy must be communicated to all people working for or on behalf of ELETTROSUD SRL. It is available to the public and to anyone who requests it.”

The Director