




Impact Report 2023

FIEE SGR SpA

31st December 2023

CONTENTS

Letter to the stakeholders

Dear readers,

We are delighted to present the Impact Report of FIEE SGR SpA, a document the Company has been voluntarily publishing since 2021 to foster transparency and accountability. Its aim is to highlight the environmental and social results achieved through the Funds' investments and the positive impacts generated by the Company's activities.

In recent years, the concept of sustainability has expanded and now encompasses all economic aspects of human activities. In this context, the European Commission presented the European Green Deal at the end of 2019: a new growth strategy aimed at turning the EU into a modern economy, efficient under the profile of resources as well as competitive.

To achieve the objectives of climate neutrality by 2050, it will be necessary to transform European society and economy, which must be efficient in terms of costs, fair and socially balanced.

In this European panorama, the role of FIEE SGR SpA (hereinafter "SGR" or "Company") and its managed Funds, the Fondo Italiano per l'Efficienza Energetica (hereinafter "FIEE I") and Italian Energy Efficiency Fund II (hereinafter "IEEF II", jointly the "Funds"), becomes crucial.

Since their foundation, both Funds have had their own management regulation, in order to guarantee the maximum transparency of investments. These regulations implement the correct management of the portfolios: from the traditional exclusion of controversial sectors to the more recent and innovative sustainable finance.

This approach is the result of a decision taken by the SGR to become a **signatory** of **UN PRI** (United Nations Principles for Responsible Investment) in 2019, incorporating an **assessment of the sustainability risks** defined by Regulation (EU) 2019/2088 (SFDR) into its investment process, in order to identify and manage the ESG risks that could have an impact on the SGR and the fund.

In line with its mission, the Company has started a journey centred on transparency and responsibility, embracing social and environmental management and aiming to draw up certified Funds' Sustainability Reports on sustainable and responsible investment policies for the capital raised by signatories.

In addition, the Company contributes to achieving the 17 **Sustainable Development Goals (SDGs)** promoted by the 2030 Agenda and, specifically, **SDGs 7, 9, 11 and 13**, which directly involve the fund's core business.

Lastly, by means of the "Climate and Environmental Risks" Action Plan sent to the Bank of Italy, the SGR has committed to systematically and continuously adapting its strategy, business model, governance system and risk management system, providing adequate disclosure to the market on the investment process in accordance with the SFDR Regulation. With the Action Plan, the SGR also confirms and strengthens its strategic positioning in the area of sustainability.

To confirm its commitment to the development of sustainable finance, FIEE SGR will launch its third closed-end private equity fund in 2024, classified as an article 9 product under the SFDR.

Thanks to its investments, the skills of its people and confident in the mission that has guided it since its inception, the SGR is therefore ready to seize all opportunities to consolidate and develop its leadership in the sustainable energy transition process.

Andrea Marano

Managing Partner

Raffaele Mellone

Managing Partner

Methodology

The Impact Report, published annually by the Company, aims to highlight the SGR's commitment to *Environmental, Social, and Governance* (ESG) aspects, taking into account the activities undertaken between January 1 and December 31, 2023.

The report has been prepared based on the SGR's sustainability strategies underpinning the fund's objectives about its sustainability performance and how to report the achievements of the portfolio companies. It bears witness to the journey towards the transparent disclosure of ESG aspects.

The Report summarizes the sustainability performance achieved by the SGR and the companies owned by the Funds. In this regard, the SGR prepares specific Sustainability Reports annually for the Funds, using the "*in accordance*" option provided by the Global Reporting Initiative Sustainability Reporting Standards, updated by GRI – Global Reporting Initiative in 2021. The data and information was collated by the SGR and the competent departments of the Investee Companies involved, following the GRI principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability, as expressed in the GRI guidelines.

The Funds also monitor, on a voluntary basis, indicators related to the Principal Adverse Impacts (PAIs) of the EU Delegated Regulation 2022/1288 The data included in the Reports have been accurately calculated based on the results of general accounting and other information systems used in the case of estimates in determining the indicators, the method used to quantify them was indicated. Furthermore, both Sustainability Reports have undergone voluntary external Limited Assurance by the independent auditing firm Ernst & Young SpA (EY).

The reported content has been included starting from the results of the materiality assessment performed in accordance with GRI 3 - Material topics to identify material topics for the two funds, i.e., those that reflect the significant impacts from the point of view of sustainability and that substantially influence stakeholders' evaluations and decisions. Specifically, topics are material when they reflect the more significant impacts that the fund has or could have on the economy, environment and people, including human rights, as a result of its activities or business relationships. Additionally, the material topics for the SGR have been identified: anti-corruption, energy efficiency and climate change mitigation, working conditions and respect for human rights, health and safety in the workplace, gender equality and equal pay, skills development and talent attraction.

The quantitative indicators reported in this Report have been drawn from the individual Funds' reporting. In particular, the reporting scope covers the companies owned by FIEE I (Plangreen 2e Srl and City Green Light Srl) and IEEF II[1] (Clever Servizi Energetici SpA, Cold Chain Capital Holdings Europe SpA, Comunità Energetiche SpA and Cubierta Solar SL[2]) as of December 31, 2023. In addition, indicators related to the SGR have been reported in this Report.

Moreover, in order to provide a more representative view of the nature of the fund's business, three specific indicators were identified for the material topic "Energy efficiency and climate change mitigation":

- **Energy savings**: describes the energy savings obtained thanks to the energy efficiency projects implemented by the fund's portfolio companies.
- **CO_2 emissions avoided[3]:** describes the tonnes of CO_2 emissions avoided thanks to the implementation of energy efficiency projects and the generation of electricity from wind energy sources by the fund's portfolio companies.

[1] Corre Energy BV does not fall within the reporting scope of the Fund as a project company.

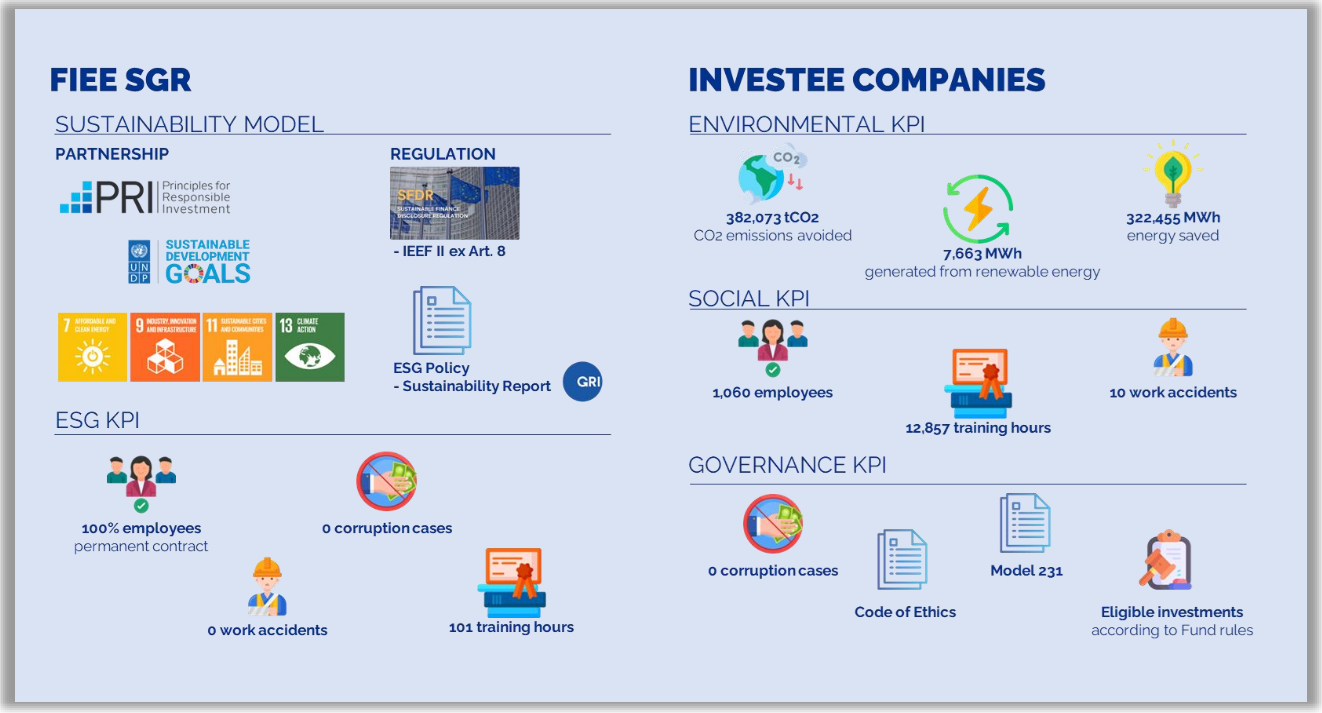
[2] It is specified that with regard to the company Cubierta Solar SL, which entered the portfolio in July 2023, the monitoring of sustainability KPIs will start during 2024 and, therefore, reporting is limited.

[3] The following coefficients were used to calculate the avoided emissions: National Standard Parameter Table, ISPRA (Plangreen2e and City Green Light); CO_2 emissions and emission factors for heat production by fuel type - natural gas 2018, ISPRA (Clever Servizi Energetici SpA and Metrotermica SpA); Efficiency and decarbonizations indicators in Italy and in the biggest European Countries 2023, ISPRA (Comunità Energetiche SpA) EU FS-Gas Regulation (Cold Chain Capital Holdings Europe SpA).

- **Electricity from renewable sources**: quantifies the amount of electricity generated by renewable energy sources.

More information is available on the website https://www.fieesgr.com.

Highlights 2023



Sustainability: the regulatory framework

In recent years, the interest of stakeholders and society in general in the role of companies and their impact on society and the environment has grown considerably and has resulted in a greater demand for transparency and accountability in company reporting. The concurrent introduction of increasingly stringent laws and regulations by the regulators has resulted in a steep incline in ESG reporting requirements. As a result, companies are increasingly required to integrate sustainability aspects in their operating strategies and to clearly communicate their performance and actions using various reporting instruments, such as sustainability and integrated reports.

In 2018, the European Commission approved a **Sustainable Finance Action Plan** to facilitate the channelling of financial investment towards a more sustainable economy, consider sustainability in risk management procedures and enhance transparency and long-term investment. Two important regulations subsequently followed: the **Sustainable Finance Disclosures Regulation** (the SFDR, Regulation (EU) 2088/2019), which requires financial institutions to disclose detailed sustainability information at entity and product levels, and Regulation (EU) 2020/852 on the **Taxonomy of environmentally sustainable activities** in 2020 (the Taxonomy Regulation) which introduced a common framework to define when an economic activity can be considered to be environmentally sustainable.

The **Corporate Sustainability Reporting Directive (CSRD)** introduced a new level to sustainability reporting. It modified the Non-Financial Reporting Directive (NFRD) and requires companies to report on their sustainability performances in accordance with the European Sustainability Reporting Standards (ESRS). The CSRD's aim was to strengthen and expand the reporting requirements concerning the sustainability information that companies currently have to report under the NFRD. A broader set of large companies will also be required to report on sustainability.

Companies can elect to join a range of initiatives, which then testify to their commitment in this area, such as becoming a signatory of the United Nations' **Principles for Responsible Investment (PRI)**, which, since 2006, encourage the inclusion of environmental, social and corporate governance factors in investment decision-making and require the signatories to regularly disclose their progress.

Another important initiative in this respect was the United Nations' introduction of the **17 SDGs** as part of the 2030 Agenda for Sustainable Development.

FIEE SGR SpA: Identity and profile

FIEE Sgr

Identity and profile

About us

The establishment of FIEE SGR SpA on 3 March 2014 is part of an investment strategy aimed at creating the **first Italian private equity fund reserved for professional investors** that invest in projects for **energy efficiency** in Italy and the European Economic Area.

Authorised to provide investment services by Bank of Italy on 7 December 2015, the SGR represents a successful experience achieved thanks to the profitability of its investments in the segment of the real economy where energy is used in an efficient and sustainable manner.

Its **contribution to the energy transition** is of great importance in today's context due to both the higher returns that it can generate and its counter-cyclical nature and resilience in the face of violent external events such as the recent Covid-19 pandemic, the Russia-Ukraine war and the Israel-Palestine conflict, none of which have adversely affected the SGR or its funds.

The SGR's team is made up of professionals with considerable industry and financial expertise in the energy field. Overall, the team has accumulated around 300 years of experience in the energy sector, establishing a solid track record in the identification, structuring and performance of energy efficiency projects.

Our governance

The corporate governance model

The Company has embraced a **traditional governance model**, with a Board of Directors and a Board of Statutory Auditors, whose powers are defined by the regulations in force and by SGR's Articles of Association.

Board of Directors

SGR has an internal structure, based on which the Board of Directors covers a pivotal role in determining the Company's decision-making process, i.e. "strategic supervision". The Board of Directors also holds broader ordinary and extraordinary management powers in terms of Company's activities, it being called upon to perform any action that is deemed to be necessary and appropriate for the achievement of the corporate purpose, within the limits and provisions of the law.

The Board currently consists of seven members, one of whom is an Independent Director, and who also holds the position of anti-money laundering officer. All members of the Board meet the necessary requirements of **professionalism** and **integrity**, as set forth by current sector regulations.

[GRI 405-1] Diversity of governance bodies and employees

Percentage of individuals within the organisation's governance bodies, broken down by age group and gender

Members of governance bodies*	m.u.	2023			2022			2021		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Members of governance bodies	No.	**7**	**0**	**7**	**7**	**0**	**7**	**7**	**0**	**7**
<=29 years	No.	0	0	0	0	0	0	0	0	0
30-50 years	No.	2	0	2	2	0	2	2	0	2
Over 50	No.	5	0	5	5	0	5	5	0	5
Members of governance bodies	%	**100**	**0**	**100**	**100**	**0**	**100**	**100**	**0**	**100**
<=29 years	%	0	0	0	0	0	0	0	0	0
30-50 years	%	29	0	29	29	0	29	29	0	29

Over 50		71	0	71	71	0	71	71	0	71

*** In the three years, there were no members of governance bodies in other diversity categories (e.g., nationality, disability, vulnerable groups, etc.)*

Board of Statutory Auditors

The Board of Statutory Auditors currently consists of five members, three being acting ones and two alternates, appointed at the Shareholders' Meeting. The five members of the Board of Statutory Auditors, including the two alternates, meet the necessary requirements of professionalism, integrity and independence laid down by current legislation.

Supervisory Body

The Company's Supervisory Body consists of two external members, both of whom have the necessary qualifications in terms of the law and necessary control issues. This composition ensures, on the one hand, the presence of people capable of helping pursue the Supervisory Board's goals as best as they can. On the other hand, it guarantees that the independence and continuity requirements - provided for by the law and in line with the prevailing jurisprudence trends - are complied with effectively. Lastly, the members of the Supervisory Board meet the integrity and no-conflict-of-interest requisites needed, together with professional profiles that guarantee impartiality, authority and ethics.

Model 231

With a view to **ensuring fairness and transparency** in its operations as well as protecting its responsibility, image and shareholders, SGR deemed it appropriate to proceed, on 25 May 2017, with implementing the Organisation, Management and Control Model, pursuant to It. Lgs. D. 231/2001, updated to the current regulation, case law, corporate best practices and the guidelines prepared by Assogestioni, ABI and Confindustria.

[GRI 205-2] Communication and training about anti-corruption policies and procedures

Total number and percentage of governance body members that the organisation's anti-corruption policies and procedures have been communicated to

Governance body	m.u.	2023	2022	2021
Total number of governance body members that the organisation's anti-corruption policies and procedures have been communicated to	No.	7	7	7
Percentage of governance body members that the organisation's anti-corruption policies and procedures have been communicated to	**%**	**100**	**100**	**100**

Total number and percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to, broken down by employee category

Employees	m.u.	2023	2022	2021
Total managers	No.	6	6	6
Total number of managers that the organisation's anti-corruption policies and procedures have been communicated to		6	6	6
Percentage of managers that the organisation's anti-corruption policies and procedures have been communicated to	**%**	**100**	**100**	**100**
Junior managers	No.	7	5	5
Total number of junior managers that the organisation's anti-corruption policies and procedures have been communicated to		7	5	5
Percentage of junior managers that the organisation's anti-corruption policies and procedures have been communicated to	**%**	**100**	**100**	**100**

Total white collars	No.	1	1	1
Total number of white collars that the organisation's anti-corruption policies and procedures have been communicated to		1	1	1
Percentage of white collars that the organisation's anti-corruption policies and procedures have been communicated to	**%**	**100**	**100**	**100**

Total number and percentage of business partners that the organisation's anticorruption policies and procedures have been communicated to, broken down by type

Business partners	m.u.	2023	2022	2021
Total business partners	No.	0	0	0
Total number of business partners that the organisation's anti-corruption policies and procedures have been communicated to		0	0	0
Percentage of business partners that the organisation's anti-corruption policies and procedures have been communicated to	**%**	**0**	**0**	**0**

Total number and percentage of governance body members that have received training on anti-corruption

Governance body	m.u.	2023	2022	2021
Governance body members	No.	7	7	7
Total number of governance body members that have received training on anti-corruption		7	7	7
Percentage of governance body members that have received training on anti-corruption	**%**	**100**	**100**	**100**

Total number and percentage of employees that have received training on anti-corruption, broken down by employee category

Employees	m.u.	2023	2022	2021
Total managers	No.	6	6	6
Total number of managers that have received training on anti-corruption		6	6	6
Percentage of managers that have received training on anti-corruption	**%**	**100**	**100**	**100**
Total junior managers	No.	7	5	5
Total number of junior managers that the organisation's anti-corruption policies and procedures have been communicated to		7	5	5
Percentage of junior managers that have received training on anti-corruption	**%**	**100**	**100**	**100**
Total white collars	No.	1	1	1
Total number of white collars that the organisation's anti-corruption policies and procedures have been communicated to		1	1	1
Percentage of white collars that have received training on anti-corruption	**%**	**100**	**100**	**100**

Thanks to the measures taken by the Company, **there have not been any incidents of corruption** during the three years nor have legal and public proceedings involving alleged corruption been commenced involving the organisation or its employees.

[GRI 205-3] Confirmed incidents of corruption and actions taken

Incidents of corruption	u.m.	2023	2022	2021
Total number of confirmed incidents of corruption	No.	**0**	**0**	**0**

Total number of confirmed incidents of corruption in which employees were dismissed or disciplined for corruption		0	0	0
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption		0	0	0

The Code of Ethics

The Company has its own **Code of Ethics**, approved by the Board of Directors on 25 May 2017. The Code identifies the shared **ethical and behavioural principles** that all recipients (corporate bodies, employees, suppliers, etc.) are required to observe. In this direction, SGR's operations can comply with the reference legislation and be carried out with transparency, fairness, integrity and to professional standard, also in order to spread a legality culture through training and information dissemination. The Company also aims to ensure that the Code of Ethics is considered a **best practice standard** for business conduct by the stakeholders which the Company has long-term relationships with. Lastly, in the context of relationships with its suppliers, SGR selects them on the basis of a meticulous evaluation of objective technical-economic criteria, using the parameters of: the analysis of products/services, competence and reliability.

Sustainability Governance

The SGR's governance structure has evolved over the years to more effectively **monitor sustainability** topics.

Its **Board of Directors** (with seven members at 31 December 2023, one of whom is independent) (i) assesses and approves the responsible investment policy, (ii) defines the investment strategies and policies for the funds in line with sustainability classifications and objectives, (iii) takes decisions about investing and disinvesting the funds under management after receiving and reviewing the results of the ESG assessment, (iv) approves the funds' sustainability reports and (v) approves an annual expenditure budget for all the costs required to implement the ESG policies and related activities, including training and refresher courses for all personnel.

The **ESG director** is an executive director responsible for the sustainable management of the SGR and the closed-end funds. The ESG director's remit also includes the responsible investment policy, the environmental and social management system (described later) and the funds' ESG regulations. The ESG director (i) assesses the responsible investment policy, the environmental and social management system and the fund's ESG regulations and proposes their approval by the board of directors, (ii) ensures the complete and correct implementation of the responsible investment policy, the environmental and social management system and the funds' ESG regulations together with the ESG team, and (iii) ensures that all sustainability issues of the SGR and the funds and the related reports are regularly discussed by the board of directors and disclosed to the funds' investors.

The **environmental social officer** (ESO) is the manager in charge of preparing, updating and implementing the ESG policy, together with the ESG Team. The ESO officer (i) ensures the environmental and social management system functions properly, including the compliance of ESG-related activities performed during investment processes, (ii) reports regularly to the board of directors on their checks of ESG aspects of the funds' portfolios, and (iii) is a standing member of the investment committee.

The **ESG team** comprises the ESO and the ESG managers. It implements the ESG policy and the environmental and social management system and engages with the portfolio companies.

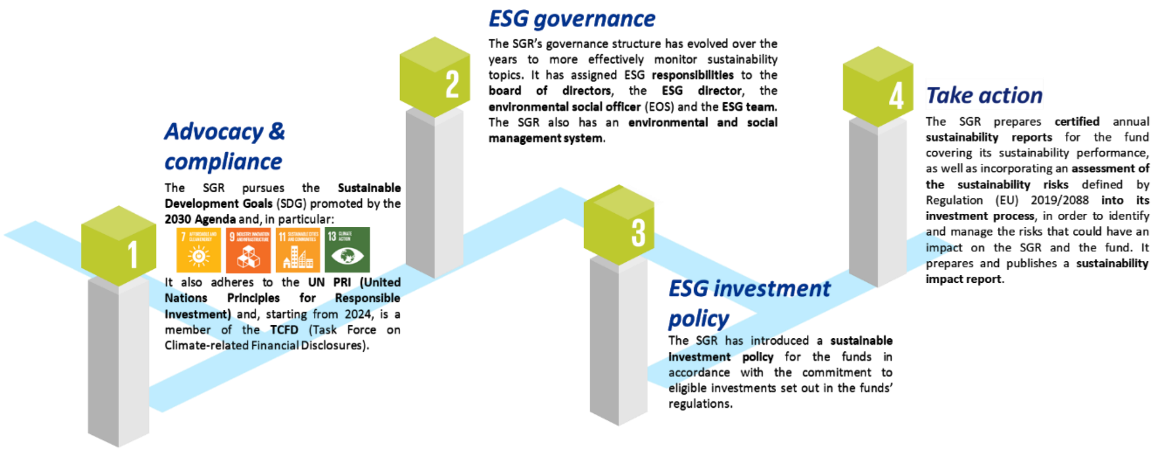
The **key managers** head up the investment teams and liaise with the ESG team about ESG issues relevant to the funds. The **investment team** assists the key managers in identifying and vetting investment opportunities. As part of the investments committee, it works with the ESG team to check that the potential investment meets the funds' positive and negative ESG selection criteria. It also assists the ESG team throughout the investment process.

The **risk manager** implements and oversees the internal risk management procedure, which includes the assessment and regular monitoring of the sustainability risk profile of the portfolio and the portfolio companies. The risk manager rates the investment risk during the due diligence phase taking into consideration the results of the ESG checks.

The internal ESG governance units are assisted by external consultants specialised in ESG topics or in specific environmental, social and governance aspects.

Environmental and social management system

The **environmental and social management system** is based on **four pillars.** These represent the SGR's guiding principles for its sustainability journey towards transparency and the achievement of its ESG objectives as part of its investment activities.



FIEE SGR's ESG pillars

Advocacy & Compliance

FIEE SGR supports the **achievement of Sustainable Development Goals** and contributes through its investments to SDGs 7, 9, 11, and 13, with a focus on integrating ESG themes into its economic and financial activities.

Specifically:

- Through IEEF II fund, FIEE contributes to goals 7, 9 and 13 through the activities of its investee Company Comunità Energetiche, leader in the field of energy production from renewable sources.
- Through both FIEE I and IEEF II funds, FIEE contributes to goals 9, 11, and 13 through the activities of City Green Light, Comat, PlanGreen2e, Cold Chain Capital, and Metrotermica, which are active in the

fields of public lighting, energy efficiency, HVACR (heating, ventilation, air conditioning), and heat management.

Furthermore, the SGR adopts an approach of integrating **ESG factors** into its **investment processes** consistent with the **PRI**, to which it has been a signatory since 2019. For the SGR, adherence to the PRI represents the natural evolution of its path, which has always been marked by ethical and responsible management of the capital raised and invested. All the activities conducted by the SGR take place in compliance with the **six principles for responsible investment** outlined by the UN PRI project (United Nations Principles for Responsible Investment).

ESG Governance

The governance structure of the SGR has evolved over the years to enable it to effectively oversee sustainability issues and, as specified in the section "*Our governance*" is composed of: Board of Directors, ESG Managing Director, Environmental Social Officer, ESG Team, Key Manager, Investment Team, Risk Manager. In addition, the internal ESG governance functions are supported by external consultants specialised on ESG issues and on specific environmental, social and governance topics.

The SGR allocates, by resolution of the Board of Directors, a specific annual expenditure budget for all costs necessary to implement ESG policies and specific related activities, including training sessions for the ESG Team and the Investment Team.

FIEE SGR recognizes that the process of integrating ESG factors must also be reflected in the remuneration mechanisms associated with the functions involved in the management and execution of the Environmental and Social Management System. Therefore, the Remuneration Policy identifies specific ESG objectives in the variable compensation of the functions responsible for managing and developing sustainability issues within the investment portfolio.

ESG Investment policy

Under the SGR's forward-looking vision, combining financial performance and environmental accountability is at the heart of its operations. This strategic approach translates into a genuine commitment to the **energy transition**, **technological innovation** and a **reduction in CO_2 emissions**, contributing to a more sustainable future and providing real benefits to the community and the environment.

Specifically, the SGR's sustainability strategy hinges on a number of key principles which guide all aspects of its investment process. They include the rigorous assessment of environmental and social impacts, the promotion of responsible business practices and the transparent management of resources. Specifically, the SGR's sustainability strategy hinges on a number of key principles which guide all aspects of its investment process. They include the **rigorous assessment of environmental and social impacts**, the **promotion of responsible business practices** and the **transparent management of resources**.

Conscious of the crucial role energy efficiency will play in the attainment of environmental objectives and the energy transition and in order to ensure that its projects are in line with sustainability objectives, the SGR has strict criteria in place for the selection and monitoring of projects. It continuously monitors the resulting environmental benefits to show the tangible positive effect of its investments.

Specifically, the SGR publishes the information required by articles 3, 4 and 5 of the SFDR. With respect to article 4, the SGR does not currently consider the adverse impacts of investment decisions on sustainability factors. However, with the adoption and application of the Regulation's technical rules, the SGR will review its position on the publication of the adverse impacts of investment decisions on sustainability factors. Should it decide to provide this information, it will update the related disclosures.

With respect to article 3, the SGR publishes information about its policies on the integration of sustainability risks throughout its investment decision-making process. The SGR firstly defines exclusion lists for investments in sectors or activities that are more exposed to sustainability risks because of their characteristics. The identification, analysis and management of sustainability risks are an integral part of the SGR's investment process. It has tailored procedures in place for the **identification** of **sustainability risks, which may be significant considering the characteristics of the potential investment**, the target and its business sector or geographical location, during the **assessment and selection of investment opportunities**. The preliminary phase of the process consists of a due diligence performed by external experts to assess the risks and opportunities, including sustainability risks. The experts' findings are presented in due diligence reports addressed to the management team, which analyses them together with the risk management unit and the ESO. The board of directors bases its investment decisions on these reports, the risk report prepared by the risk management unit that describes any sustainability risks related to the investment opportunity and other assessments.

During the investment holding period, the SGR regularly monitors its sustainability parameters using information provided directly by the portfolio companies about specific sustainability KPIs.

The SGR also identifies and manages non-financial risks which could compromise the fund's investment policies if they are not monitored. The inadequate evaluation of the investments and disinvestments or shortcomings in the oversight of the portfolios companies could have social, environmental and reputational impacts. In line with the ESG issues relevant to the SGR, the main risks monitored closely to mitigate their possible impact on its operations are listed below:

- **Reputational risk:** risk associated with the negative opinion held by third parties (customers, partners, shareholders, investors, regulators) due to failure to comply with social and environmental regulations. A poor reputation can lead to a loss in competitiveness and a contraction in market share.
- **Legal risk:** the risk of losing or reducing the value of the assets under management caused by non-compliance with environmental and social regulations.
- **Environmental and social risk:** environmental risk is the risk that a company could damage the environment by its actions or lack thereof; social risk is the risk of causing direct or indirect negative impacts on the community.

Take action

The SGR follows a **transparent approach** towards all its investors and, more generally, stakeholders, communicating sustainability information related to its investments in the following ways:

- It describes the ESG performance of the Investee Companies through **Sustainability Reports**, which are prepared annually for each Fund and shared with its investors. Both reports are drafted according to the GRI standards, following the "*in accordance with*" option, and are subjected to limited assurance by the independent auditing firm EY SpA;
- It publishes an annual **Impact Report** that highlights the positive externalities generated by the SGR through its investments;
- When necessary or upon request, it prepares specific **ESG reporting model**s for investors.

Our Workforce

The Company places great importance on its employees and is committed to providing them with the best possible working conditions, ensuring compliance with **human rights standards** and a **safe, inclusive, and stimulating work environment**.

Throughout 2023, the SGR employed 12 staff members, all based in Italy, and also made use of non-employee workers.

[GRI 2-7] Employees

Employees*	m.u.	2023			2022			2021		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Total	No.	**9**	**3**	**12**	**7**	**3**	**10**	**6**	**4**	**10**
Permanent employees		9	3	12	7	3	10	6	4	10
Temporary employees		0	0	0	0	0	0	0	0	0
Full-time employees		9	3	12	7	3	10	6	4	10
Part-time employees		0	0	0	0	0	0	0	0	0

** The Company did not have any non-guaranteed hours employees in the three years.*

Key Manager	m.u.	2023			2022			2021		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Managers	No.	**2**	**0**	**2**	**2**	**0**	**2**	**2**	**0**	**2**

[GRI 2-8] Workers who are not employees

Workers who are not employees	m.u.	2023			2022			2021		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Workers who are not employees	No.	6	1	7	6	1	7	6	1	7

[GRI 405-1] Employee diversity

Percentage of employees broken down by age group, gender and category

Employees	m.u.	2023			2022			2021		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Managers	No.	**4**	**0**	**4**	**4**	**0**	**4**	**1**	**0**	**1**
<=29 years		0	0	0	0	0	0	0	0	0
30-50 years		3	0	3	3	0	3	0	0	0
Over 50		1	0	1	1	0	1	1	0	1
Managers	%	**100**	**0**	**100**	**100**	**0**	**100**	**100**	**0**	**100**
<=29 years		0	0	0	0	0	0	0	0	0
30-50 years		75	0	75	75	0	75	0	0	0
Over 50		25	0	25	25	0	25	100	0	100
Junior managers	No.	**5**	**2**	**7**	**3**	**2**	**5**	**5**	**3**	**8**
<=29 years		0	0	0	0	0	0	0	0	0
30-50 years		5	2	7	3	2	5	5	3	8
Over 50		0	0	0	0	0	0	0	0	0
Junior managers	%	**71**	**29**	**100**	**60**	**40**	**100**	**63**	**38**	**100**

<=29 years		0	0	0	0	0	0	0	0	0
30-50 years		100	100	100	60	100	100	100	100	100
Over 50		0	0	0	0	0	0	0	0	0
White collars	No.	**0**	**1**	**1**	**0**	**1**	**1**	**0**	**1**	**1**
<=29 years		0	0	0	0	0	0	0	1	1
30-50 years		0	0	0	0	0	0	0	0	0
Over 50		0	1	1	0	1	1	0	0	0
White collars	%	**0**	**100**	**100**	**0**	**100**	**100**	**0**	**100**	**100**
<=29 years		0	0	0	0	0	0	0	100	100
30-50 years		0	0	0	0	0	0	0	0	0
Over 50		0	100	100	0	100	100	0	0	0
Blue collars	No.	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Blue collars	%	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

** In the three years, there were no employees in other diversity categories (e.g., nationality, disability, vulnerable groups, etc.).*

100% of the employment contracts entered with its employees are governed by the **National Collective Labour Agreements** (CCNL).

In addition, the Company ensures that all collaborators have **equal opportunities**, guaranteeing **fair treatment** based on merit, without any discrimination. As such, the Company's policies on recruitment, remuneration, and staff training are guided by principles of **professionalism, competence, merit, and gender equality.** In this regard, three new hires were made during the year, and 101 hours of training were provided.

[GRI 401-1] New employee hires and employee turnover

Total number of employees and new employee hire rate, broken down by age group and gender

Hiring rate	m.u.	2023			2022			2021		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Total new employee hires	No.	**2**	**1**	**3**	**1**	**1**	**2**	**0**	**0**	**0**
<=29 years		0	0	0	0	0	0	0	0	0
30-50 years		2	0	2	1	0	1	0	0	0
Over 50		0	1	1	0	1	1	0	0	0
Hiring rate	%	**22**	**33**	**25**	**17**	**25**	**20**	**0**	**0**	**0**
<=29 years		0	0	0	0	0	0	0	0	0
30-50 years		25	0	20	17	0	11	0	0	0
Over 50		0	100	50	0	100	100	0	0	0

Total number of employees and turnover rate, broken down by age group and gender

Turnover rate	m.u.	2023			2022			2021		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Total turnover	No.	**0**	**1**	**1**	**0**	**2**	**2**	**0**	**0**	**0**

<=29 years		0	0	0	0	1	1	0	0	0
30-50 years		0	0	0	0	1	1	0	0	0
Over 50		0	1	1	0	0	0	0	0	0
Turnover rate	%	**0**	**33**	**8**	**0**	**67**	**20**	**0**	**0**	**0**
<=29 years		0	0	0	0	0	0	0	0	0
30-50 years		0	0	0	0	33	11	0	0	0
Over 50		0	100	50	0	0	0	0	0	0

[GRI 404-1] Average hours of training per year per employee

Average number of training hours by gender and category	m.u.	2023			2022			2021		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Total hours of training provided to managers	Hours	28	0	28	28	0	28	7	0	7
Total managers	No.	4	0	4	4	0	4	1	0	1
Average hours of training provided to managers	Hours/No.	**7.00**	**0**	**7.00**	**7.00**	**0**	**7.00**	**7.00**	**0**	**7.00**
Total hours of training provided to junior managers	Hours	49	17	66	21	14	35	35	14	49
Total junior managers	No.	5	2	7	3	2	5	5	2	7
Average hours of training provided to junior managers	**Hours/No.**	**9.80**	**8.50**	**9.43**	**7.00**	**7.00**	**7.00**	**7.00**	**7.00**	**7.00**
Total hours of training provided to white collars	Hours	0	7	7	0	7	7	0	0	0
Total white collars	No.	0	1	1	0	1	1	0	2	2
Average number of training hours provided to white collars	Hours/no.	**0**	**7.00**	**7.00**	**0**	**7.00**	**7.00**	**0**	**0**	**0**
Total hours of training provided to employees	Hours	77	24	101	49	21	70	42	14	56
Numero totale dipendenti	No.	9	3	12	7	3	10	6	4	10
Average hours of training provided to	Hours/no.	**8.56**	**8.00**	**8.42**	**9.00**	**9.00**	**9.00**	**9.00**	**7.00**	**8.00**

employees										

The remuneration policies implemented by the SGR are gender-neutral and ensure that, for equal roles, tasks, and responsibilities, employees receive equal pay. This also extends to the conditions for recognizing and processing compensation.

[GRI 405-2] Ratio of basic salary and remuneration of women to men

Ratio of basic salary and remuneration of women to men	m.u.	2023	2022	2021
Basic salary				
Managers	%	N.A.*	N.A.*	N.A.*
Junior managers		107	113	82
White collars		N.A.**	N.A.**	N.A.**
Remuneration				
Managers	%	N.A.*	N.A.*	N.A.*
Junior managers		112	125	78
White collars		N.A.**	N.A.**	N.A.**

* Given the presence of only male employees in this professional category, the ratio is not applicable.

** Given the presence of only female employees in this professional category, the ratio is not applicable.

The SGR is committed to **preventing risks in the workplace** for all its workers, both internal and external To this end, it has created a safe and healthy working environment, adopting the safety measures required by the reference regulations (Consolidated Law on Health and Safety in the Workplace- Legislative Decree 81/08), and carries out periodic audits to ensure that all safety measures are effectively implemented and complied with.

While the Company is not certified and does not apply a specific management system (OH SAS 18001 or ISO 45001:2018), it has prepared the required documentation, including the Risk Assessment Document (DVR). Moreover, the SGR is committed to continuous involvement and communication through specific training at all levels. Finally, it has appointed a competent doctor to ensure the applicability of the regulations.

[GRI 403-9] Work-related injuries

During the three years, there were no injuries of any kind involving employees or workers who are not employees.

The environment

The Company acknowledges that **safeguarding the environment** is a core aspect of corporate responsibility and a valuable asset. For this reason, the SGR works to incorporate socio-environmental considerations into its investment process, committing to managing investment opportunities in accordance with sustainability and environmental protection principles, primarily investing raised capital in the energy transition sector, and making a tangible contribution to the ongoing decarbonization of the energy industry. Additionally, FIEE advocates for the sustainable use of natural resources and energy, optimizing their utilization with a strong focus on resource efficiency and the search for innovative solutions to achieve energy savings.

[GRI 302-1] Energy consumption (direct and indirect) within the organisation

Direct energy consumption	m.u.	2023

Natural gas	GJ	**60**

Indirect energy consumption	m.u.	2023
Electricity purchased for consumption	GJ	**58**
of which: from certified renewable sources (guarantee of origin)		0
of which: from non-renewable sources		58

[GRI 305-1] Direct (Scope 1) GHG emissions

Scope 1 emissions	m.u.	2023
Natural gas	tCO_2e	3

[GRI 305-2] Energy indirect (Scope 2) GHG emissions

Scope 2 emissions (location-based)*	u.m.	2023
Electricity	tCO_2e	6

* Emissions generated by electricity consumption were calculated using the two methods allowed by the GRI Sustainability Reporting Standards:

- for the location-based method, by multiplying the consumption of renewable and non-renewable energy by the emission factors in the database of the International Energy Agency (IEA);
- for the market-based method, by multiplying the consumption of renewable energy by the emission factors published by the AIB to obtain the Group's total Scope 2 emissions. Specifically, FIEE SGR SpA's Scope 2 emissions totalled 7 tCO_2e in 2023.

Impact Report 2023

The funds of FIEE SGR SpA

The funds of FIEE SGR SpA

Our investment sectors

Being sustainable translates into expanding the concept and assessment of company performance, moving from a “one bottom line” approach (i.e. a purely economic measure of performance) to a “**triple bottom line**” approach, a **broader vision of performance, which includes social and environmental performance**. The vision of the business therefore becomes multifaceted as the evaluation of impacts also includes the proper management of social and environmental risks. This generates value not only for the company but also for the context in which it operates.

The SGR has selected lines of business on which it has focused its investments over the years in the pursuit of its mission of investing in activities which, thanks to energy savings, are able to ***generate social and environmental benefits for society as a whole****.*

THE FUND’S INVESTMENT SECTORS

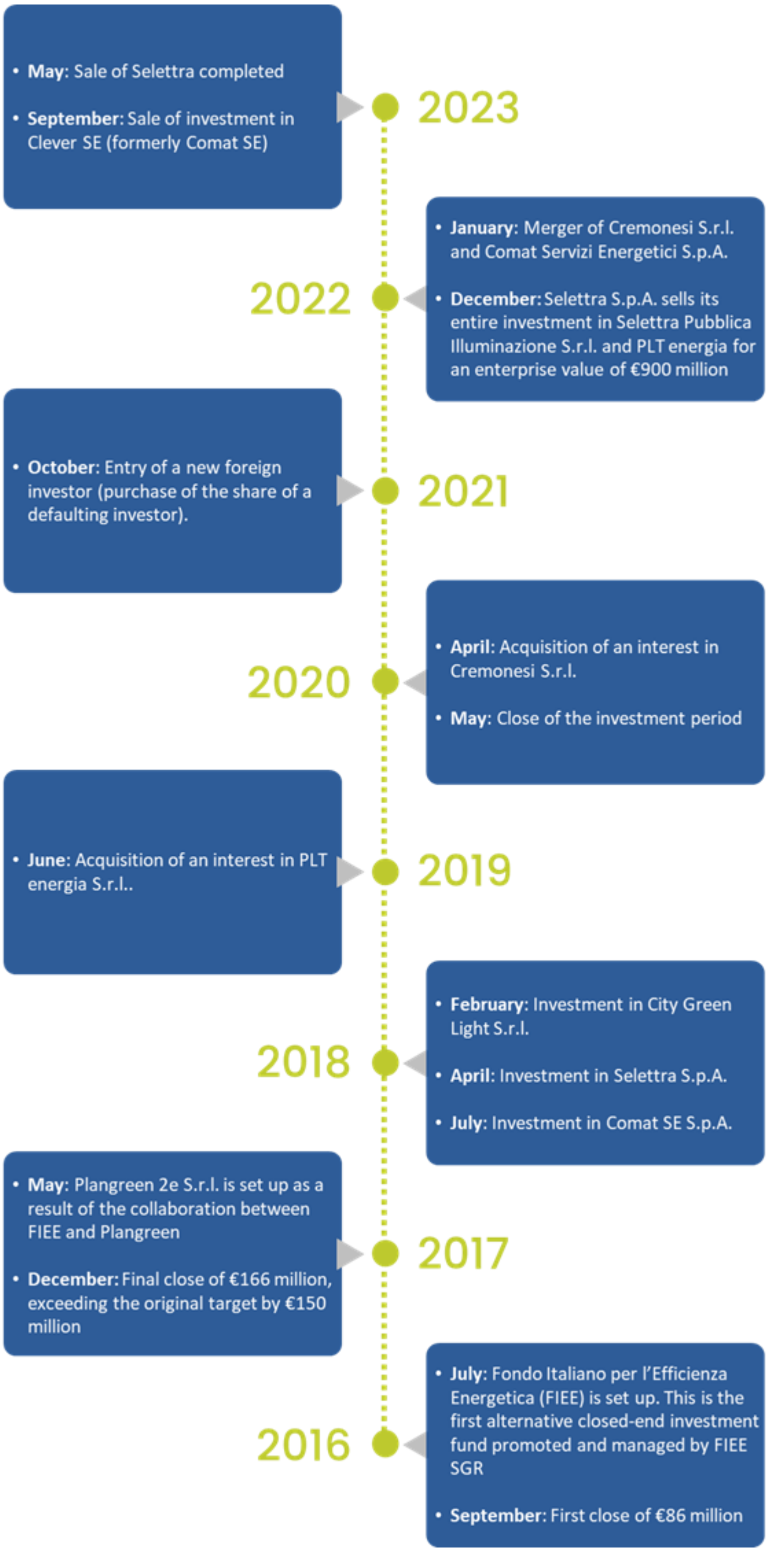
Energy efficiency in the retail sector	Fund I has earmarked €15 million for this transaction.	PlanGreen 2E your savings sustainable
Energy efficiency in public lighting	The transaction structure includes an initial investment of €33.2 million by Fund I and a co-investment of €25.0 million by the European Investment Bank.	city green light
HVACR – Heating, Ventilation, Air Conditioning and Refrigeneration	Fund II has earmarked €36 million for this transaction.	Cold Chain Capital
Generation of electricity from renewable energy sources	The fund has invested €27.4 million to date and intends to invest up to €30 million through capital increases.	Comunità Energetiche S.p.A.
Energy efficiency in the residential energy service	The fund has acquired a 33.33% interest in Clever Servici Energetici through Metrotermica SpA	cleverse
Energy storage	The fund has invested €15 million by subscribing a convertible debt instrument that can be increased to €20 million at its discretion.	correenergy hydrogen based energy storage
EPC and photovoltaic plants	The fund has invested €10.38 million to date and is committed to investing up to €18 million through capital increases.	Cubierta Solar

I – Italian Energy Efficiency Fund I

The fund was set up on 15 July 2016. Its placement resulted in a first close of €86 million on 8 September 2016 and a final close of €166 million on 20 December 2016, exceeding the initial target of €150 million.

The Fund has a duration of 12 years from its first close, plus an extension option of up to three years (the grace period). Based on this timeframe, the fund aims to generate returns for investors of 10-12%, using proven technologies and limited recourse to financial leverage.

FIEE I is an equity fund focused on financing energy efficiency projects in partnership with energy service companies (ESCo), which play an industrial role and which are entrusted with the operating management of projects. The final beneficiaries of the energy efficiency projects are both public and private entities. The fund also promotes the sustainability of investments which contribute to environmental and social development.



The portfolio of FIEE I

Through its investments in the two companies currently in its portfolio (Plangreen 2e Srl and City Green Light Srl), FIEE is currently the leading private player in the public lighting sector in Italy and one of the top national operators in the residential energy services sector, as well as an important private operator in renewables.

In May 2023, the fund sold its entire investment in Selettra SpA to the German private equity fund SCIF Investor Vehicle LLP managed by PATRIZIA Infrastructure Ltd. In September 2023, it sold its investment in Comat SE SpA to two investment funds managed by Pioneer Point Partners LLP and Marguerite III GP Srl, respectively.

Plangreen2e

Plangreen 2E ("P2e") is an **ESCo operating in the energy efficiency**, sustainability and innovation **sector.** It carries out its services for private large-scale retail operators that mainly carry out lighting interventions through the use of LED technology devices. PlanGreen 2E is the vehicle used by FIEE I to make direct investments in energy efficiency projects, making project financing available to its customers.

City Green Light

City Green Light ("CGL") is the leading private operator in Italy in the public lighting sector providing services from compliance to routine and extraordinary maintenance. Its core business is the participation in public and private calls for tenders. CGL has an extensive, flexible service portfolio which meets the needs of the different Italian areas. It mainly operates in the development, efficiency and management of public lighting in Italy.

The certifications of the FIEE I companies

Plangreen 2e Srl	Certiquality
City Green Light Srl	Certiquality; ISO 9001:2015; ISO 14001:2015; ISO 50001; SA 8000; OHSAS 18001; ISO 45001:2018; ISO 27001; ISO 37001:2016; PDR 125:2022

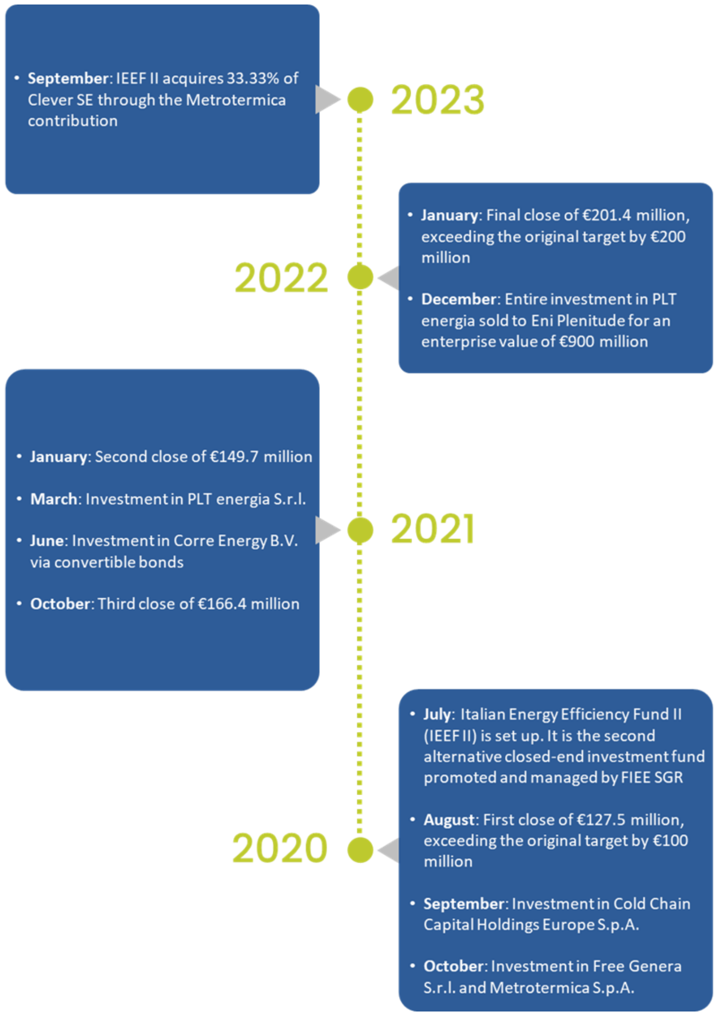
II – Italian Energy Efficiency Fund II

The SGR launched its second "Italian Energy Efficiency Fund II" in 2020 . The placement of Fund II with qualified Italian investors (pursuant to the fund regulation) resulted in a first close of €127,5 million on 15 August 2020, exceeding the minimum threshold of €100 million.

The second close took place on 15 January 2021 for another €22,2 million, taking the total proceeds to €149,7 million.

On 15 September 2021, the SGR's board of directors resolved Fund II's third close, effective 4 October 2021, for a further €16,7 million, which took the total proceeds to €166.4 million.

Moreover, on 22 December 2021, the SGR's board of directors resolved Fund II's final close, effective 26 January 2022, which took the total proceeds to €201,4 million.



IEEF II is an equity fund focused on financing energy efficiency projects in partnership with energy service companies (ESCo), which play an industrial role and which are entrusted with the operating management of projects. The final beneficiaries of the energy efficiency projects are both public and private entities. Fund II's object is to become a major investor in the new energy era, contributing to the development of energy transition platforms. Through its investments in the portfolio companies, IEEF II is currently active in the residential sector service sector (like Fund I), the innovative HVACR technologies sector, the development of energy storage infrastructure and energy communities and the generation of energy from renewable sources.

The portfolio of IEEF II

Through its investments in the companies currently in the portfolio, IEEF II is active in residential energy services (like Fund I), innovative HVACR technologies, the development of energy storage infrastructure and energy communities, and electricity generation from renewables.

Cold Chain Capital Holdings Europe S.p.A.

Cold Chain Capital Holdings Europe S.p.A. ("**Cold Chain Capital**") is an Italian holding company set up in 2019 to become a European leader in **innovative HVACR technologies** by acquiring, integrating or developing small and medium operators in the sector. At the date of this report, **Cold Chain Capital** has already acquired investments in four (six?) companies: **Roen ESTS S.p.A., Artic SA,** the **Kobol** business unit, **Samifi SAS, Morgana and EMICON S.p.A.**.

Comunità Energetiche S.p.A.

This is a multi-disciplinary company with consolidated experience in the sectors of **engineering** services, construction of integrated systems for the industrial sector and **O&M (Operations & Maintenance)** services, generation of energy from renewable sources and energy consultancy services. Comunità Energetiche S.p.A. is IEEF's platform for the development of energy communities and the generation of energy from renewable sources for self-consumption.

Clever Servizi Energetici S.p.A.

Clever Servizi Energetici S.p.A. (formerly Comat Servizi Energetici S.p.A.) is a market leader in the residential energy services sector in Italy. It manages more than 3,000 apartment buildings in north and central Italy. The fund acquired a 33.33% interest in Clever Servici Energetici through the contribuiton of Metrotermica S.p.A..

Corre Energy B.V.

Corre Energy develops, builds and manages grid-scale underground energy storage infrastructure for hydrogen-fuelled compressed air and green hydrogen stored and produced in northern Europe. With 11 green hydrogen storage projects in the pipeline, Corre Energy provides solutions for the integration of renewable energies at scale.

Cubierta Solar

Cutierta Solar is based in Alicante and has operated in south-east Spain since 2015 in the roof-top photovoltaic EPC sector (roughly 52MW total capacity installed to date) with industrial and commercial customers. Its management team has 15 years' experience in the sector.

In December 2022, IEEF II carried out its first exit transaction, selling the investment in PLT energia Srl while in September 2023 it acquired a 33.33% interest in Clever Servizi Energetici (formerly Comat SE SpA) through the contribution of Metrotermica SpA.

The certifications of the IEEF II companies

Cold Chain Capital Holdings Europe SpA	ISO 9001:2015	ISO 14001:2015	ISO 45001:2018	OHSAS 18001		
Comunità Energetiche SpA	ISO 9001:2015	ISO 14001:2015	ISO 45001:2018			
Clever Servizi Energetici SpA	ISO 9001:2015	ISO 14001:2015	ISO 45001:2018		ISO 50001	F-GAS CERTIFICATION
Metrotermica SpA	ISO 9001:2015					

Impact Report 2023

Measuring impacts

Measuring impacts

Materiality analysis

In 2023, SGR revisited its materiality assessment to identify the environmental, social and governance aspects subject to the greatest impact by the fund's activities and to define the aspects to be disclosed in the sustainability report.

It performed the assessment in line with the reporting principles set out in **GRI Universal Standards 2021**, which introduced the concept of **impact materiality**. Specifically, GRI 3 - Material topics states that topics are material when they reflect the more significant **impacts** that an organisation has or could have on the economy, environment and people, including human rights, as a result of its activities or business relationships.

The materiality assessment, designed to identify the Funds' external impacts of its operations (inside-out perspective), has **four steps**:

The SGR performed a benchmark analysis of the material topics disclosed by its main peers and those of its portfolio companies in order to identify the topics potentially material for the fund, considering its activities, business relationships, the sustainability context and the expectations of its more important stakeholders. It also analysed the requirements of sector-specific sustainability standards (i.e., Sustainability Accounting Standards Board - SASB), the applicable regulations (i.e., the SFDR and the EU Taxonomy) and questionnaires received from the fund's main investors. The SGR then compared the results of these analyses with the sustainability topics established by the new European Sustainability Reporting Standards (i.e., ESRS 1 Appendix A, RA16) in order to link the ESG topics identified in the context analysis with those of the standards.

This allowed it to identify the positive and negative, actual and potential **impacts** directly and/or indirectly generated by the fund's operations **on the environment, economy and people**, including human rights. The sustainability team assessed the materiality of each identified impact based on the results of the context analysis and the initial analyses, considering the impacts related to the topics most frequently referred to in the standards and regulations as the most significant. This meant that the assessment included the opinion of the SGR's main stakeholders as well as the portfolio companies and key investors.

The SGR subsequently identified the material topics for the fund to be disclosed in the sustainability report:

- **Procurement practices:** introduction of policies to develop a sustainable supply chain, minimise its environmental impact and encourage social responsibility;
- **Corruption**: prevention of corruption in the private sector and with the public administration through mechanisms designed to guarantee integrity and legality in decision-making and operating processes;
- **Privacy**: adoption of suitable security measures that comply with the regulations to ensure correct data handling and protection;
- **Energy efficiency and climate change mitigation**: introduction of strategies to accelerate energy efficiency and reduce GHG emissions in the services offered by the portfolio companies, encourage energy savings and the responsible use of resources;

- **Waste management:** adoption of efficient management practices for the waste generated by the portfolio companies and promotion of recycling and waste reduction measures;
- **Water resources management**: adoption of sustainable practices for the efficient use of water and reduction of consumption;
- **Biodiversity and ecosystems**: introduction of measures to protect and enhance biodiversity and ecosystems, promoting the conservation of species and natural habitats;
- **Working conditions and respect for human rights:** implementation of internal policies to ensure safe and decent working conditions, encouraging respect for human rights and equal and fair treatment for all workers;
- **Occupational health and safety**: protection of workers' health and safety through compliance with regulations and the adoption of practices designed to ensure a safe and healthy work environment and the dissemination of a safety culture;
- **Gender equality and equal remuneration for work of equal value**: adoption of policies and practices to ensure equal opportunities and to eliminate gender pay gaps;
- **Training, skills and talent attraction**: introduction of customised training programmes and talent attraction strategies to increase workers' professional satisfaction, expertise and skill-sets.

A list of the material topics, associated impacts and reference indicators selected for their monitoring, divided by aspect (Environment, Social, Governance), is provided below

Aspect	Material topics	Main impacts	Type of impact (Positive/negative - Actual/potential)
G	Procurement practices	Procurement of virgin, non-recycled, non-renewable and/or fossil-derived materials	*Negative - Potential*
		Use of recycled/recovered and/or recyclable/recoverable materials	*Positive - Potential*
		Support to the local supply chain	*Positive - Actual*
	Anti-corruption	Incidents of corruption and illegal conduct in carrying out activities	*Negative - Potential*
	Privacy	*Data breach*	*Negative - Potential*
E	Energy efficiency and climate change mitigation	GHG emissions (Scope 1,2 and 3) arising from the portfolio companies' activities	*Negative - Actual*
		Generation of renewable energy by the portfolio companies that enable a reduction in GHG emissions	*Positive - Actual*
		Energy efficiency	*Positive - Actual*
	Waste management	Generation of hazardous waste that if not managed correctly	*Negative - Potential*

	could cause environmental impacts	
Management of water resources	Consumption and depletion of water resources by the portfolio companies' activities	*Negative - Actual*
	Consumption and depletion of water resources in areas with water stress by the portfolio companies' activities	*Negative - Potential*
Biodiversity and ecosystems	Damage to ecosystems due to the location of portfolio company facilities in protected areas and key biodiversity areas	*Negative - Potential*
Working conditions and respect for human rights	Agreement of permanent employment contracts and employment stability of the workforce along the value chain	*Positive - Actual*
	Utilisation of temporary employment contracts along the value chain	*Negative - Actual*
	Lack of collective bargaining agreements and opportunities for the involvement of the portfolio companies' workforce	*Negative - Potential*
	Contribution to combatting forced and/or child labour by encouraging the adoption of responsible working policies and practices	*Positive - Actual*
	Violation of the human rights of the portfolio companies' workforce through, for example, the use of child or forced labour	*Negative - Potential*
Occupational health and safety	Work-related injuries of portfolio companies' employees	*Negative - Actual*
Gender equality and equal remuneration for work of equal value	Recruitment and promotion of women through dedicated policies, enabling their access to leadership roles	*Positive - Potential*

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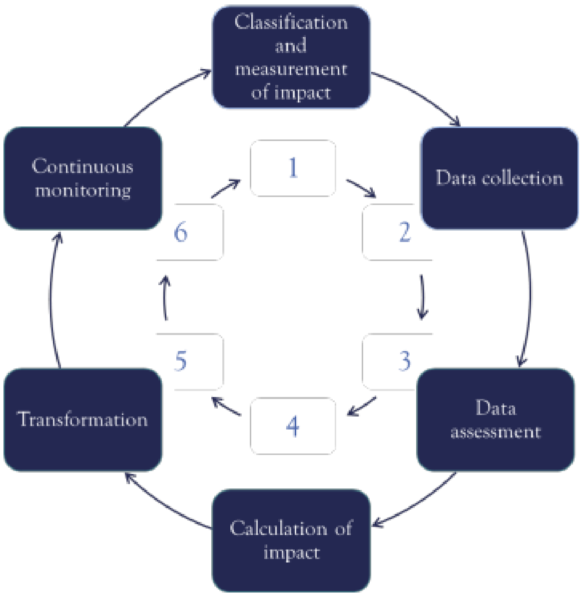
	Incidents of violations of equal treatment, diversity and harassment involving portfolio companies' workers	*Negative - Potential*
	Pay gaps and gender discrimination in hiring practices and career advancement	*Negative - Potential*
Training, skills and talent attraction	Upskilling portfolio companies' workforces to ensure their professional growth	*Positive - Potential*

Measuring impacts

SGR measures its impacts through a continuous process of data analysis and monitoring in order to ensure the accuracy of the results obtained over time.

- **Classification and measurement of impacts:** Data relative to the activities of the subsidiaries are divided according to the environmental theme that they belong to. Impacts are measured against specific benchmarks that quantify the results achieved in the wake of SGR's involvement in the share capital of its subsidiaries.
- **Data collection:** Data collection is a continuous process throughout the reporting year, conducted on a quarterly basis. At the end of each quarter, the associated Company's ESO submits the identified KPIs to SGR's ESO for the social and environmental impact generated by the relevant industrial activity to be assessed and quantified.
- **Data assessment:** SGR's ESO performs its own checks based on the documentation received from the associated company's counterpart. The outcome of the above inspections, the social and environmental impact generated by associated companies' industrial activities and by any suggested risk mitigation measures are brought to the attention of SGR's Board of Directors at least once a year for sharing and assessing any actions to be taken. At the end of the reporting year, some aggregated data are included in the sustainability reports of the two Funds. These reports and the relative data are certified by auditing company EY SpA.
- **Calculation of the impact:** the energy saving calculation is defined through the energy savings achieved thanks to the implementation of energy streamlining projects by the Fund's associated companies. The avoided CO_2 emissions are calculated through the identification of a conversion factor2. This multiplier makes it possible to identify the tonnes of CO_2 emissions avoided thanks to the implementation of energy streamlining projects and the generation of energy from renewable sources by the Funds' associated companies. For social KPI calculation, refer to the guidelines set forth by the Global Reporting Initiative (GRI). As for the calculation of the CO_2 emissions avoided by Cold Chain Capital Holdings Europe SpA, once the conversion has been carried out, the difference between the emissions produced by the old plants compared to the newly installed ones is calculated.
- **Transformation:** After the aggregation process, the data is correlated to the SDGs that they refer to, and reprocessed in a way that is easy to understand.

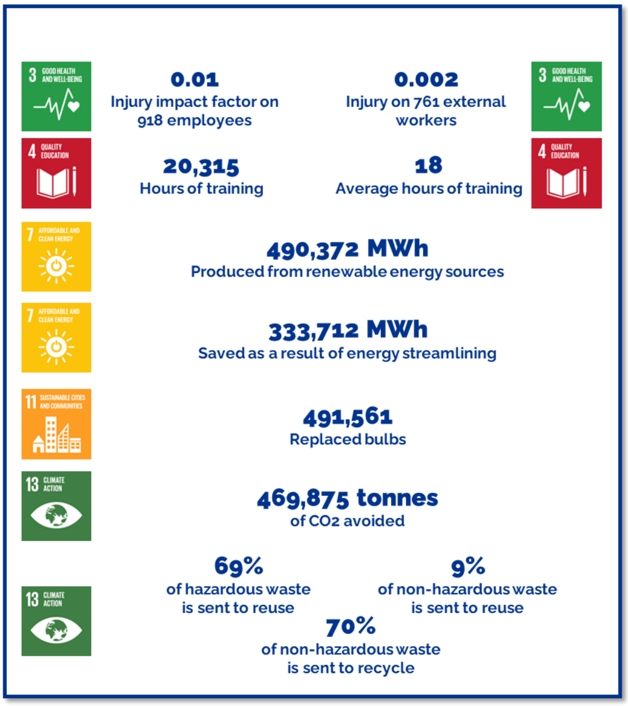
- **Quarterly monitoring:** The generated impact is continuously monitored by analysing the output of the subsidiaries and their results on a quarterly basis.



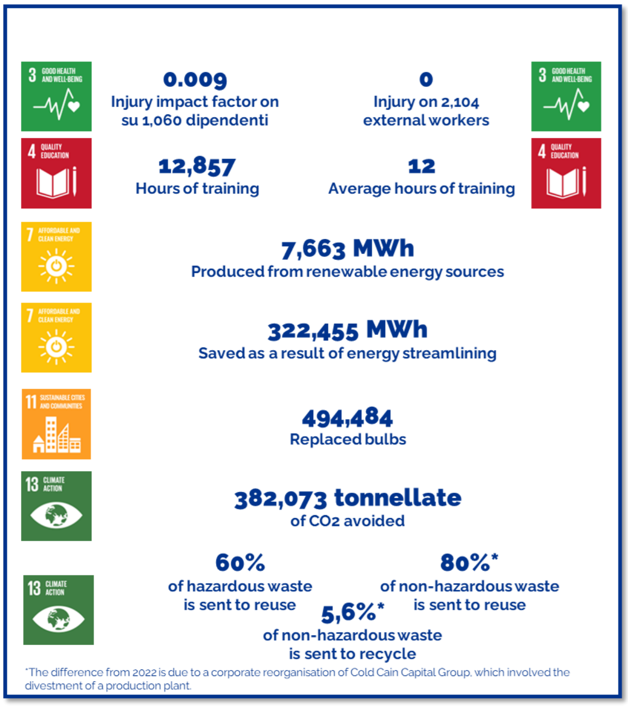
FIEE I and IEEF II in numbers: generated impacts

Using the investments made by the Funds as an instrument, the Company produced **positive impacts** in several areas of sustainable development, each of them related to a specific SDG of the UN 2030 Agenda. The performance fluctuation between 2022 and 2023 is also linked to the disinvestments that the Funds made in 2023.

2022



2023



Focus on Impacts

Energy Efficiency

Energy efficiency is defined as the ratio, within a given system (heating, cooling, lighting), between the output and the input of the used energy. Improving the energy efficiency of a system ensures that it consumes less energy to provide the same output, improving its performance in environmental and economic terms. The Company's activity in this area is part of an EU framework for action initiated in 2007, when EU leaders first set themselves the goal of reducing energy consumption by 20% by 2020 - a target that was later raised to 32,5% to be reached by 2030. According to Enea's Energy Efficiency Report[4], 7,400 ktep[5] were saved in Italy alone by implementing energy streamlining measures.

Case study - City Green Light

City Green Light Srl is an E.S.Co (Energy Service Company) operating in the field of energy saving and streamlining through the integrated management of public lighting services across Italy. CGL supports its customers through the process of energy and digital transition by proposing development models for public lighting and related smart services. The Company's core business includes managing public lighting, traffic lights and tunnel lighting systems not only by supplying the required energy but also by leveraging typical Energy Management tools - regulatory compliance, energy use streamlining, installation of consumption monitoring systems. Through the use of innovative, high-tech lighting solutions, it is possible to set up the perfect functioning of the offered service with the containment of costs and consumption. Alongside the public lighting sector, City Green Light offers a range of services designed to meet the sustainable development needs of local areas, from environmental solutions to mobility, energy communities, connectivity and other smart city services

Thanks to its knowledge of the local area and its infrastructures, its extensive network of maintenance providers, and its ability to reconcile financing instruments with the needs of public administrations, City Green Light is able to offer made-to-measure services and consultations for local authorities.

The main business lines are public lighting, traffic lights and video surveillance systems, including street, monumental and urban lighting, the management of traffic light systems and variable-message signs, tunnel management (from lighting to ventilation, fire-fighting and video surveillance), and the development of Video Analytics & AI solutions for the automatic processing of flows and events.

The Company serves the market by offering services that can be grouped into two lines of action:

- **Energy and support in the management of the integrated energy cycle:** the areas that the Company operates in are: the design and installation of electrical systems, electrical substations, tele-management and control systems, the maintenance and management of technological systems**.**
- **Global Service, Energy and Environment (ESCO**): the Company acts as the sole interlocutor for the customer, taking care to relieve said customer from any contractual liability arising from the relationship with the service providers in question. Experience, structure and reliability enable City Green Light to correctly interpret such a delicate role, acting as a single reference with the Customer/Client.

[4] Annual Energy Efficiency Report, Enea, 2021.

[5] Tonne oil equivalent in thousands.

- **0** CASES OF CORRUPTION
- **74,248 tCO_2** AVOIDED EMISSIONS
- **290,485 MWh** ENERGY SAVINGS
- **896,000** MANAGED LIGHT FIXTURES
- **55%** ENERGY FROM RENEWABLE SOURCES TO SUPPLY THE MANAGED MUNICIPALITIES
- **22.2** MILLION IN ENERGY STREAMLINING INVESTMENTS IN 2022
- **188** EMPLOYEES
- **94%** PERMANENT WORK CONTRACTS
- **100%** OF WORKERS ARE COVERED BY THE HEALTH AND SAFETY IN THE WORKPLACE MANAGEMENT SYSTEM
- **31%** WOMEN IN THE WORKFORCE
- **+56%** TRAINING HOURS COMPARED TO 2022
- **0** WORK-RELATED INJURIES IN 2023
- **5 mln** RESIDENTS SERVED
- **10** QUALITY CERTIFICATIONS OBTAINED

Renewable energies

The need to change the energy production sector is on the European agenda, along with the urge to boost energy streamlining. In fact, EU legislation on the promotion of renewable energies has evolved significantly in the last 15 years. In 2018, the Union's leaders set a goal of 32% of gross final energy consumption produced by the Union by 2030. By applying the definitions and the calculation criteria envisaged by the RED II Directive[6] in order to monitor EU goals on RES by 2030, in 2021 the quota of total gross final energy consumption covered by RES in Italy was 19.03%. This concentration, compared to 2020, is due to the effects of the Covid-19 health emergency: in fact, faced with a relatively contained growth in RES energy consumption (+3.9%), the country's total energy consumption grew at a more than double rate compared to 2020.[7] FIEE SGR acknowledges and shares the urgent need to rethink the way energy is produced - which is why it has made renewable energy one of its core investment sectors.

Case study - Comunità Energetiche

Comunità Energetiche SpA is a company with twenty years of experience in the industrial and environmental sector, and in Engineering, Procurement and Construction activities applied to renewable energies. The Company develops, builds and invests in photovoltaic systems, directly taking care of all stages, from the preliminary ones all the way to design, installation and maintenance. The experience consolidated in high value-added projects makes the Company the right partner for companies that need complex energy efficiency projects with the development of renewable energy production plants at their core.

Sustainable development is a defining and structural element that guides the business choices and operational management of Comunità Energetiche.

Comunità Energetiche SpA develops renewable energy and solutions for its customers, adopting various strategies. By means of the production of solar energy, the Company builds and manages photovoltaic systems, directly investing on the properties of its customers. User efficiency systems (also known as UES) are photovoltaic systems managed by a single producer and intended for the consumption of a single end customer, through a direct connection of the system. The Company uses the know-how it has accumulated over time to stipulate purchase and sale contracts for energy from renewable sources with the most important players on the market.

Thanks to the technical skills it has consolidated through the years, the Company can develop and supply turnkey projects, through a consolidated development, design, and management system. Specifically, the stages envisage a **preliminary analysis**, in order to ascertain the suitability of the identified installation site; **the feasibility assessment** makes it possible to evaluate the installation of UES systems; **the energy audit service** aims at analysing pre-existing systems in order to develop update and renewal solutions from a technological point of view.

Lastly, Comunità Energetiche SpA provides services relating to the management and maintenance of the systems, offering Asset Management solutions that free the end customer from all types of bureaucratic burdens or from the onus of managing the photovoltaic system, directly handling the management of financial, fiscal, commercial and legal aspects. The Company, which has always been active in the protection of the local areas, increasingly places emphasis on sustainability as an essential element of growth and creation of shared value, with the goal of building solid relationships with all stakeholders who are directly or indirectly involved in its initiatives. Comunità Energetiche SpA responds to the challenges that derive from

[6] Directive (EU) 2018/2001, or RED II, transposed in Italy with Legislative Decree no. 199 of 2021, introduces pertinent amendments to the scope of items to be deemed as tracked by RED I, extending it, for example, to renewable energy supplied by the summertime use of heat pumps (cooling) and the methods to be applied in order to account for renewable sources in the transport sector.

[7] GSE - Statistical report 2021 "Energy from renewable sources in Italy".

climate change, translating them into business opportunities linked to increasing the efficiency of energy generation systems.

Comunità Energetiche | Results of 2023

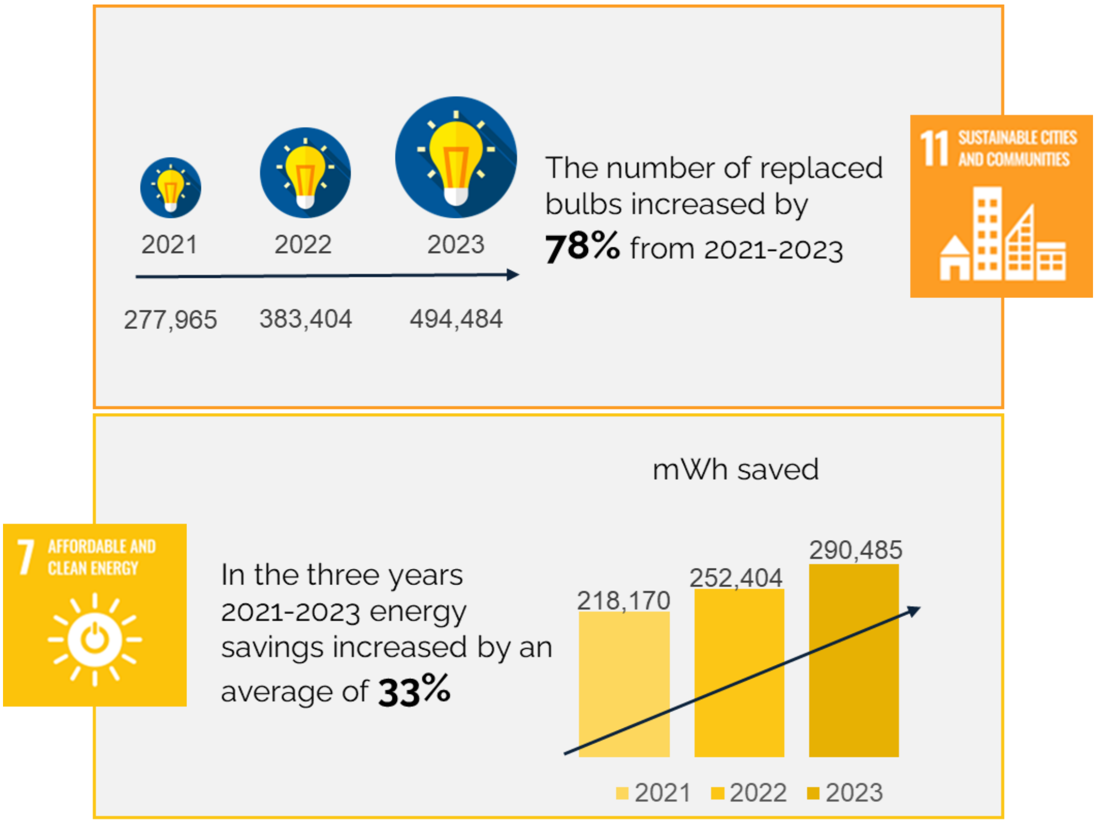
- **0** CASES OF CORRUPTION
- **3,464 tCO_2** AVOIDED EMISSIONS
- **7,663 MWh** ENERGY SAVINGS
- **14.9** MILLION EURO IN INVESTMENTS IN RENEWABLE ENERGY IN 2023
- **7.8** MWP INSTALLED POWER
- **14** SYSTEMS INSTALLED
- **15** EMPLOYEES
- **100%** PERMANENT WORK CONTRACTS
- **100%** OF WORKERS ARE COVERED BY THE HEALTH AND SAFETY IN THE WORKPLACE MANAGEMENT SYSTEM
- **31%** WOMEN IN THE WORKFORCE
- **+56%** TRAINING HOURS COMPARED TO 2022
- **0** WORK-RELATED INJURIES IN 2023
- **3** QUALITY CERTIFICATIONS OBTAINED

Generated impacts divided by reference SDGs

City Green Light

FIEE I became part of CGL's capital in 2018. As of today it holds a 59.3% share in the Company, also taking into account IPIN2e's share. Thanks to the intervention of FIEE I, CGL significantly increased the frequency of its operations and improved its performance. In numbers, 99% more light bulbs were replaced between 2020 and 2022, which directly resulted in energy savings and a 5% decrease in CO_2 emissions into the atmosphere. Thanks to investments aiming to increase energy efficiency, City Green Light has saved approx 74,248 tonnes di CO_2 emitted in the atmosphere thus making a positive contribution to the mitigation of climate change.

At the same time, the Company has reduced the consumption of electricity by over 290,000 MWh, consolidating average energy savings of approximately 24% in the three years 2021-2023. These savings are the results of the over 896,000 light fixtures that the Company manages, and which are supplied - for approximately 55% - by energy produced from renewable energy. These results have been made possible thanks to investments whose total amount exceeds 25 million euro, earmarked for the optimisation of energy efficiency processes. When it comes to the well-being of its employees, 94% of the workforce has permanent contract, while all employees enjoy the protection of the system by which occupational health and safety are managed. The Company's commitment to the professional and personal growth of its employees is made evident in the fact that, during 2023, it provided 56% more training hours compared to the previous year.



Comunità Energetiche SpA

The Company is the platform of IEEF II for the development of energy communities and the production of energy from renewable sources for self-consumption. In 2020, FIEE SGR invested in the capital of Comunità Energetiche through IEEF II. The large investment that was made starting in 2011 and until 2022, aiming to increase the energy efficiency of production systems, made it possible to save approximately 3,464 tonnes of CO_2 in 2023, i.e. 8% more compared to the previous year.

This strategy made for a positive contribution to the reduction of carbon dioxide emissions released into the atmosphere. In this sense, please note that, during 2023, Comunità Energetiche SpA produced over 7,663 MWh of energy, directly from renewable sources. This figure is also higher compared to 2022, when it was 7,000. This commitment to renewable energy is the fruit of a massive investment that the Company made during the year, which finds concrete expression in an expenditure of approximately 14.9 million euro, , with the precise goal of developing technologies for renewable production The Company's intense commitment to Social matters, and in particular to its workers, is evidenced by the fact that 100% of the workforce has permanent contract and is covered by the occupational health and safety management system. Furthermore, no cases of corruption were recorded in 2023.