



FABRICA IMMOBILIARE

# Sustainability Report

## 2021



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Victoria's Secret - Milan, Italy - Galleria del Corso 4



# Letter to the Shareholders

Dear Shareholders,

As a leading player on the Real Estate sector, Fabrica has always been careful to incorporate the most significant trends within the context where it operates and with which it relates through its daily activities.

Its responsiveness to stimuli of innovation and change combined with social awareness, which has always distinguished the company, has led the SGR in the last few years to integrate the concept of sustainability into its corporate culture and governance. Drafting a dedicated strategy and providing a Sustainability Policy were only the beginning of an important path, which has been leading Fabrica to consolidate ESG aspects in all its operating choices and values. On this subject training and engagement activities for shareholders come to mind, as well as the commitment and responsibility to raise awareness on individual actions and the impact of such, always adhering to the Global Real Estate Sustainability Benchmark: the instrument which stimulates growth and proximity to sustainability.

Conscious to have taken the right path, Fabrica has therefore chosen to render ESG choices progressively more centered and integrated into the decisional processes, as may be seen by the actions taken throughout the last years.

Sustainability also translates for the SGR, into the attention paid to housing solutions for the various population groups: from the young to the elder. 2021 has seen our reality continue along the path of affirmation regarding the Socially Responsible projects, as may be: student housing, senior living facilities, social housing and health care centers.

The performance in 2021, marked by the delicate sanitary situation of the Covid-19 pandemic, is the result of our team's commitment, wholehearted to the growth of Fabrica and the company's affirmation as a strong player on the market.

The attention to our team has been translated into, not only guaranteeing a system of periodic health monitoring, but also into far-reaching training. We believe success is built on strong foundations and values.

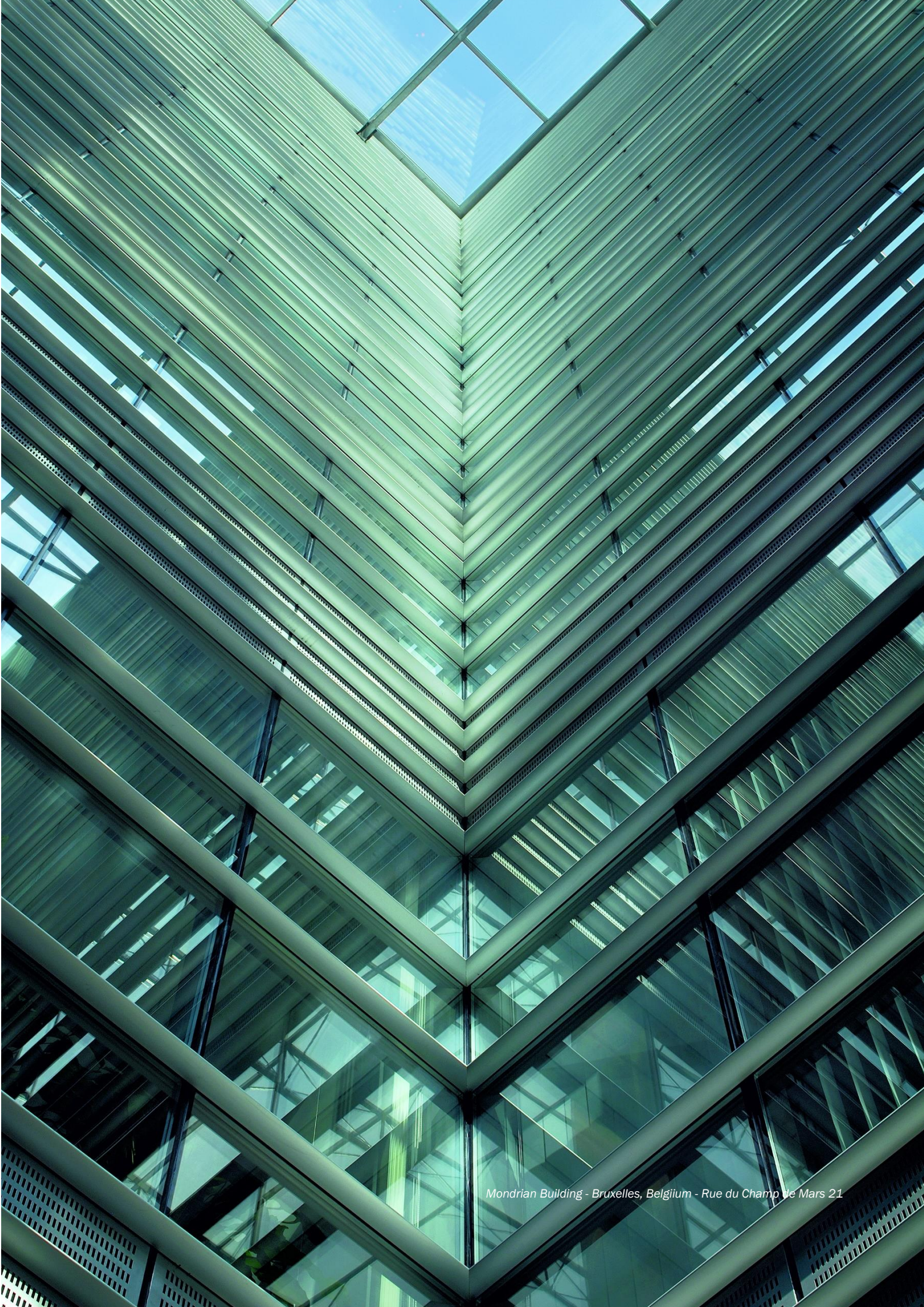
This second Sustainability Report constitutes a further step in the affirmation of the sustainable path taken by Fabrica. A transparent and timely reporting and communication which, coherently with the company's modus operandi, allows for dialog and engagement with the shareholders. This leads to a more decisive exchange of ideas when it comes to making choices, consolidating that bond of trust which has always defined the SGR in the context where it operates.

The President  
**Fabrizio Caprara**

CEO  
**Giovanni Maria Benucci**

COO  
**Valentina Compagno**



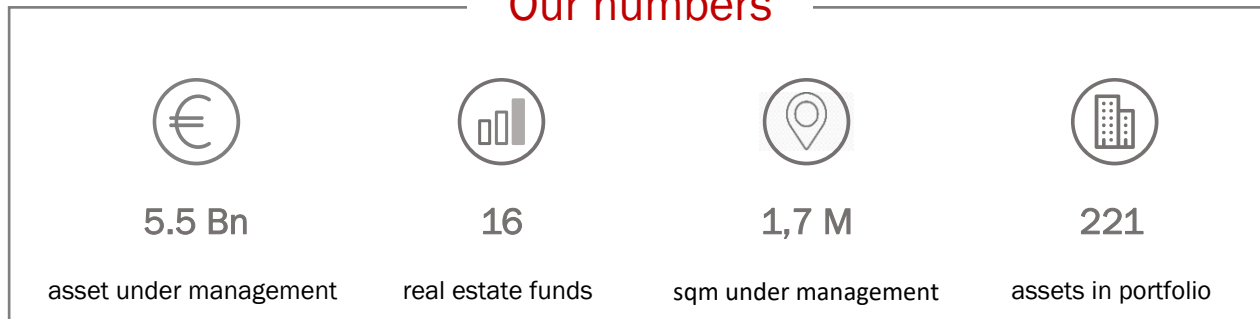


*Mondrian Building - Bruxelles, Belgium - Rue du Champ de Mars 21*



# Highlights 2021

## Our numbers



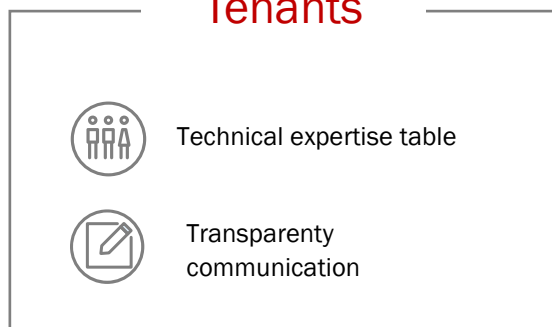
## Governance



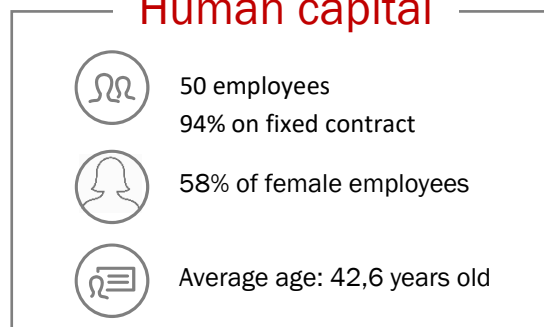
## Social



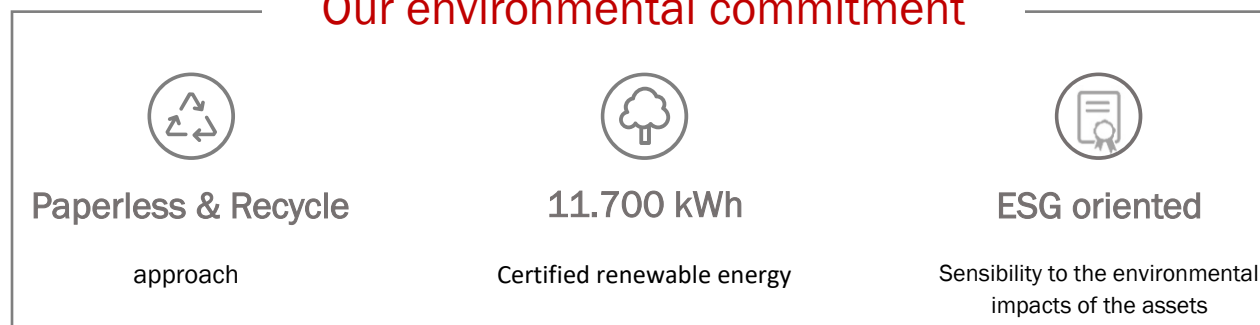
## Tenants



## Human capital



## Our environmental commitment



# Fabrica SGR

Fabrica SGR is among the main players in Italy in the Real Estate compartment, managing today **16 funds** for a total activity of approximately **5,5 Billion Euro**.

Born in 2005, after an initial focus on the residential development sector and subsequent fractional sale, Fabrica has started a path of constant growth, following the values shared with the reference shareholder, the **Gruppo Caltagirone**.

Anticipate market trends and contribute to the innovation of national Real Estate: these two cornerstones have historically inspired the company's asset management activities.

Fabrica was in fact the first Italian asset management company (SGR) to explore the living sector in its various forms, identifying an implicit demand for residential needs by: university students, elders, young professional workers, young couples and families with children.

To date, Fabrica has achieved significant results in Socially Responsible asset class:

- **Student housing:** Fabrica has been pioneer of this compartment in Italy, starting in 2007. With a portfolio of 10 structures and over 5,500 beds built in the main Italian university cities, the company is today, a leading national institutional investor.
- **Senior living** (for self-sufficient and non-self-sufficient elders): Fabrica has, from the start, conveyed resources in the sector and currently holds 14 health care residences with about 2,200 beds. In addition, during 2021, Fabrica initiated the Aristotle Senior Fund: the first fund exclusively dedicated to the senior living sector.
- **Social housing:** the SGR manages two funds dedicated to the development of social housing projects in Italy, one of which has been created solely to launch initiatives in the South of the country. The two funds are implementing a total investment plan for more than 150 Million Euro and have concluded and started projects for over 1,000 affordable housing.
- **Health Care:** Also in this segment the SGR has acted as a pioneer, starting the first fund back in 2006. Throughout the years, Fabrica has supported major national scientific research institutes' development projects: first among all the IEO.  
The company is currently placing a new product dedicated to the health care sector.

Since the beginning, the SGR has consolidated major Italian institutional investors' trust. Public Pension Funds in primis, which as of today represent over 90% of Assets under Management.

The engagement of and sensibility towards ESG aspects have been a focal development point throughout the year 2021. Leading the company to grow on a green path the company's commitment to ESGs has been furthermore consolidated by the Sustainability Plan and Policy, as well as through the Sustainability Report, which was first issued in 2020.

## Our Values

The activity of the SGR continues to be firmly anchored to the sense of belonging, meaning security and loyalty, and the values consolidated throughout the years:

- **Transparency:** the entire process of investment and disinvestment, ivi the periodic assessments and selection of the outsourcer, is codified by a system of transparent internal procedures continuously supervised by the dedicated Control Functions. The practice of transparency is also set through a reporting system aligned with international best practice scenarios.
- **Independence:** management of the SGR selects the investment and disinvestment operations of the AuM autonomously, based exclusively on professional criteria and the market.



- **Competence:** Fabrica SGR’s human capital consists of a team of professionals with multidisciplinary expertise, who make use of tools and methodologies aligned with best practice international standards.
- **Responsibility:** With over ten years’ experience, since the first socially responsible fund, Fabrica is among the most active and experienced operators in the field of Real Estate Investment with social purposes in Italy. This fund was born by the investment of INPS (Italian National Pension Fund)’s financial resources in Real Estate development plans, dedicated to universities and scientific search institutes. Altogether, Fabrica has realized projects for over € 800 Million Euro with high social impact, attaining interventions which support sectors and geographical areas with significant infrastructural gaps. These projects have mainly concerned student housing, affordable housing as well as initiatives dedicated to social housing.

## Milestones

2005	Fabrica is born starting two Real Estate funds, one of which is the first Socially Responsible fund in Italy, dedicated to INPS liquidity management. The reference shareholders of Fabrica SGR are the Gruppo Caltagirone and Banca Monte dei Paschi di Siena
2006 – 2007	The SGR consolidates its portfolio with 5 Real Estate Funds. AuM reach 2 Billion Euro
2010 - 2012	Fabrica wins two major public tenders by National Pension Funds: Inarcassa (Engineers and Architects National Pension Fund) and Cassa Forense (Lawyers National Pension Fund) to institute two dedicated Real Estate Funds. Moreover, the SGR is appointed by Enpap (Psychologist National Pension Fund) for the institution of a contribution fund, to be managed in partnership with CDPI SGR: so is born the first Italian Real Estate Fund dedicated to university residences. AuM is 2.5 Billion Euro
2013 - 2015	The SGR institutes two Real Estate Funds dedicated to social housing invested by CDPI SGR. Inarcassa initiates the transfer of its Real Estate assets into a dedicated fund. AuM is 3.5 Billion Euro
2016 - 2017	The SGR completes the liquidation process, having reached their maturity, of the first-born Funds. The company attains an IRR of 21.4% and 13.5% respectively. The Gruppo Caltagirone consolidates its holdings in Fabrica's share capital by taking over the 49.99% previously held by MPS Bank.
2018	The SGR wins a major health insurance tender, intended to institute a fund dedicated to health care residences.
2019 - 2020	In the first semester of the year, the SGR realizes international investments for approximately 250 Million Euro. AuM is 4 Billion Euro  Fabrica wins the "Enterprise of Excellence in Real Estate" Award, assigned by Scenari Immobiliari to Italian companies that have distinguished themselves for the results achieved in the sector.
	ESG projects begin





2021

Fabrica affirms its commitment to implement ESG initiatives. As part of the sustainability path undertaken, the SGR continues its activity promoting a culture oriented towards social responsibility as well as disseminating Environmental, Social and Governance Principles.

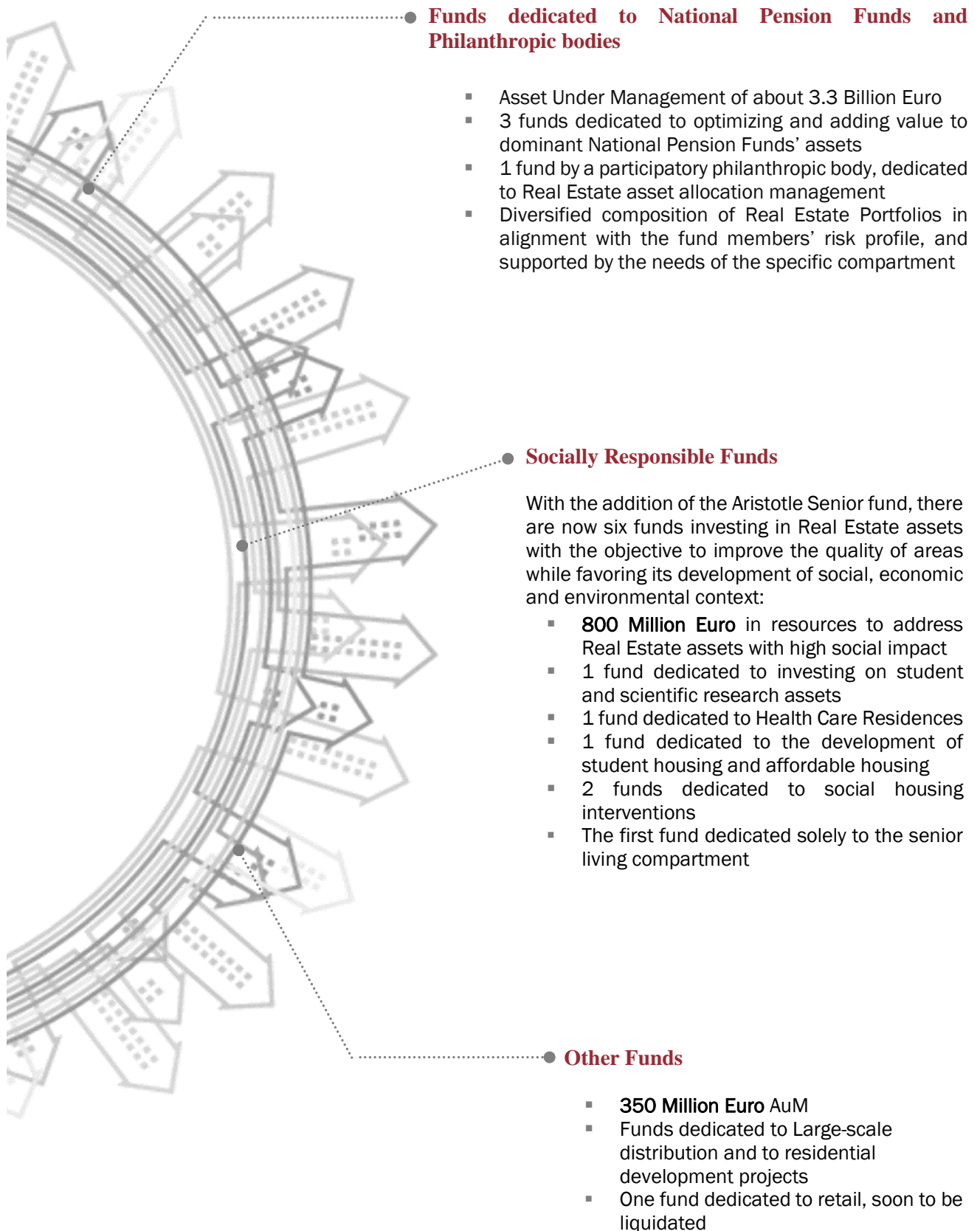
The company supports strategic choices in the respect of such principles, maintaining the spirit of sustainable growth and transparency.

The initiatives implemented during 2021 by Fabrica SGR, have been marked by an ESG due diligence and constant training specifically dedicated to these matters as well as abiding general attention to Sustainability.

Moreover, by the end of 2021, Fabrica has instituted the fund Aristotle Senior, first dedicated fund to solely to senior living.



## Our Funds









## Our pathway on Sustainability

Sustainability has always been for Fabrica, of primary importance and to evermore be considered in the financial approach by any and all Asset Management companies, in order to generate shared value and positive impact for the environment and society.

Awareness on ESG matters translates to Fabrica as a pioneer investment activity on compartments of niche, as Student housing and Senior living. These are promoted through socially responsible funds and inspired by market considerations, as well as by our ambition to fill the infrastructural gap and upgrade national welfare for the growth of the Country.

Fabrica's regard for social implications of the investments in portfolio, has been endorsed evermore over the years by the sensibility of its investors, towards the subject. The established trust has led the SGR towards a constant and always growing attention to the social fallbacks of investments.

On that note, over 2021 it has been progressively introduced in the appraisal of new investments, an ESG due diligence act. Aimed at analyzing the risks and related sustainability issues, this act allows to identify any possible Real Estate investment negative impact. While drafting a Sustainability Policy and Plan, and participating in the Global Real Estate Sustainability Benchmark (GRESB), launched back in 2020, Fabrica chose to extend its engagement to Sustainable matters. The company integrated ESG principles in its business culture and objectives, starting a series of projects aiming to center ESG factors within every decision-making process.

To such aim, under the principle of transparency and with high regard to Fabrica's shareholders, in the course of 2021 has been upgraded the SGR website - [www.fabricasgr.com/en/approccio-esg/](http://www.fabricasgr.com/en/approccio-esg/) -. Starting this year it has been made possible to find a section dedicated to Sustainability, containing the Sustainability Reports, also in English, identifying the activities and implemented objectives.

Finally, the stimulus of institutional investors has contributed to a fortification of our path and to a series of medium to long term objectives.

### Sustainability Policy

The Sustainability Policy developed and introduced into Fabrica in 2020, is a tool which has raised awareness on the meaning and importance of having a sustainable culture founded on Environmental, Social and Governance principles. This awareness, aimed primarily at its people, but also corporate structures and external collaborators, has allowed Fabrica to consolidate as a committed company, attentive more than ever to the ethical and social implications of its work.

### Sustainability Plan

The Sustainability Plan, introduced in 2020, aims to guide Corporate Governance and asset management as well as the dynamic with employees and Tenants. Interpreted to that effect, is the setting of ESG objectives is connected to material subjects on which the SGR has addresses Environmental, Social and Governance initiatives, further explained in the paragraph **Sustainability goals**.

## Global Real Estate Sustainability Benchmark (GRESB)

During the last few years, the Real Estate sector and its financial market have been characterized from an increasing regard to ESG subjects. This has led to a call for greater transparency on the organizations in this sector's performance.

The GRESB is one of the main international benchmarks regarding ESGs on Real Estate investments and infrastructures. It is a globally recognized touchstone on reporting ESG matters for Asset Management companies, funds, developers and investors within the Real Estate world.

The GRESB allows to measure Fabrica's Sustainability over two components:

Management and Performance: supplying a score and a report, it allows for an examination in contrast to other Asset Management companies, holding into consideration various specificities of each participant (es. Country, Region, field and investment).

The received appraisals have given the stimulus to consolidate the right approach to Sustainability, and have led Fabrica to initiate additional projects considering ESGs, such as:

- Identification of areas at risk, opportunities and impacts on the portfolio.
- Activities to raise tenants and suppliers' awareness on ESGs.
- Engaging tenants to (further) consider Sustainability.

To be noted that over the year 2021, the Erasmo, Cartesio and Novello funds were awarded the Green Star by the GRESB. This award recognizes the most virtuous funds on the ESGs regard and speaks for the SGR's commitment and attention to sustainable matters, as well as the success of its operations.

The participating funds at the GRESB, already increased in the course of 2021, will come surely widened in the course of 2022, in order to make funds sustainable to a greater extent.

## Adaptation to the SFDR standard

Fabrica SGR in line with the European Regulation UE 2019/2088, c.d. "Sustainable Finance Disclosure Regulation" or "SFDR", issued the first trimester of 2021, has published on its website the requested information referred to.

## Shareholders Engagement and updating of the materiality matrix

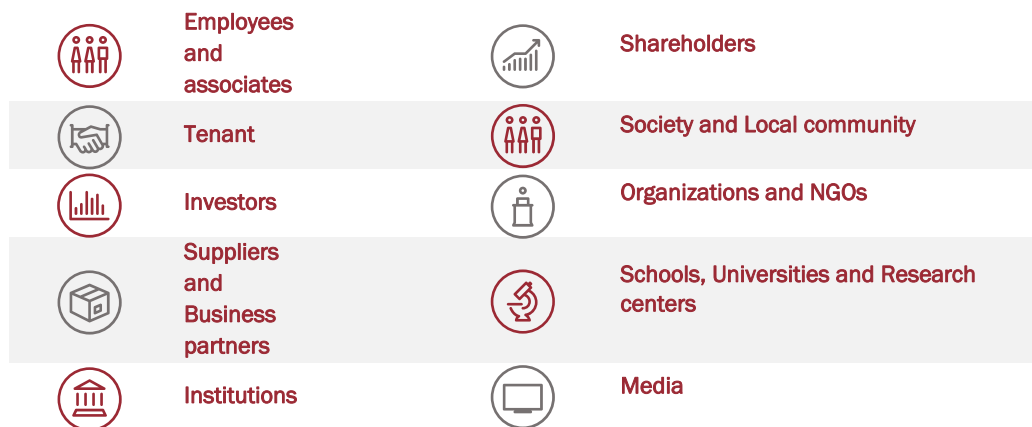
Fabrica SGR holds deep into consideration the involvement and participation of the shareholders on the decisions of their competence. Thus, the implementation of shareholders' widespread and aware engagement activities. Consistency and completeness of information is promoted, as well as it is ensured a balance between the different activities and the related Social, Economic and Environmental impacts.

Fabrica SGR's commitment is corroborated by the purposeful path on ESGs implementation, inspired by international best practice scenarios, and holding into consideration the interests and expectations of the shareholders involved.

Fabrica establishes its commitment to open and constructive dialog with its shareholders, in order to best incorporate needs and expectations. Starting from a preliminary activity of examining in contrast the SGR's main competitors, the Management team has identified the shareholder categories emerged with the 2020 Sustainability Report, as proof of a solid and trusting bond established over time.



Below are the shareholder categories:



One of the main initiatives intended to enhance the relationship with its shareholders in 2021, was the engagement exercise to integrate and/or improve ESG strategies in every operation.

Fabrica is committed to always maintaining an open communication with the shareholders, proposing sustainable goals in order align funds and assets with ESGs and to convey awareness towards Sustainability.

Appreciative of transparency, and the communication of its activities to the outside, in 2021 Fabrica SGR has upgraded and enhanced its website, as its main channel for sharing the company’s work. A special section dedicated to Sustainability has been added; it contains the operations and goals implemented by the SGR as well as the Sustainability Reports which act as essential tools to communicate the identity and commitment of the company. It is also available in English.

## Materiality matrix (2021)

An update of the materiality analysis has been conducted for the evaluation of aspects that significantly reflect Economic, Social and Environmental impacts on the company and its shareholders.

21 relevant topics have been identified and broken-down into 5 macro-categories:

- **Responsibility towards Governance:**
  - Governance and Economic Performance
  - Compliance and Risk Management
  - Brand Identity
  - Emergency management and recovery
- **Responsibility towards tenants:**
  - Tenant engagement and satisfaction
  - Technological innovation and cybersecurity
- **Responsibility towards employees:**
  - Management and retention of employees
  - Welfare
  - Training and development of the employee
  - Health and safety in the workplace
- **Social Responsibility:**
  - Senior Living
  - Health Care Residences
  - Social Housing
  - Student housing

- Urban Regeneration
- Smart Services
- Support to the Local Community
- New Mobility Solutions
- **Environmental Responsibility**
  - Energy consumption and Emissions
  - Green certification for the assets in portfolio
  - Waste management, efficient use of resources and water consumption

The result of this analysis is reflected on the materiality matrix, which represents the relevant topics - Economic, Social and Environmental - for the company and the reference shareholders





## Monitoring of Performance regarding Sustainability goals

Following, Fabrica’s Sustainability goals which define the strategy the company aims to pursue in accordance with ESGs. In 2021, Fabrica persists on and consolidates its engagement to these goals by: carrying-out an ethical evaluation of its suppliers, ESG due diligence processes, initiating pilot projects aimed at reducing the assets’ consumptions, training also on ESGs, minding COVID prevention at the workplace, realizing the Matera Social Housing Complex, creating the Aristotele Senior fund dedicated to senior living and health care residences, and adding an ESG policy to Property contracts.



Governance  
Responsibility

- Promote ethics and integrity in business practice
- Promote dialog with shareholders
- Implement ESGs in risk evaluation



Responsibility towards  
tenants

- Consolidate tenant engagement
- Reduce assets’ electric consumption



Responsibility towards  
employees

- Increment training hours per employee
- Raise awareness on sustainability
- Guarantee equality and inclusion
- Preserve safety and wellbeing at work



Social Responsibility

- Support local community
- Actively contribute to the generation of positive community impact



Environmental  
Responsibility

- Reduce energy consumption and emissions
- Promote energy efficiency
- Reduce water consumption
- Raise awareness on the importance of recycling



Camplus Regio Parco - Turin, Italy - via Perugia 45



# Our Governance model

## Business model and economic performance

Fabrica is active in the collective savings oversight through the promotion, establishment and management of alternative mutual funds. The funds are managed by: investing in Real Estate, Real Estate Rights, including those deriving from Real Estate leasing contracts with a translational nature and concession relationships, having participations in Real Estate companies and parts of other Real Estate AIFs, which may also be international.

Fabrica's product portfolio counts on a wide range of AIF; the company promotes, institutes and manages Real Estate funds both by subscription and contribution, assorted accordingly to the risk/return profile, between funds for professional investors and funds for the retail public.

Fabrica works diligently, fairly and transparently for the interest of the participants in the Funds, and within the integrity of the market. It adopts an organizational model aimed at excluding the risk for potential conflicts of interest - also between the assets managed - and constantly carries-out assessments to safeguard the rights of the Funds' participants.

Fabrica, to this end, guarantees for all resources' training and expertise and of the procedures suitable and necessary to always assure an efficient performance.

Fabrica's business model is assisted by an all-encompassing System of Internal Control, which works in full compliance with current regulatory and supervisory regulations and in accordance with the indications of the Trade Association (Assoimmobiliare). It consists of rules, procedures and organizational structures aiming to: ensure compliance with business processes' strategies, effectiveness and efficiency; safeguard the value of the company's assets and the good management of that held on behalf of clients; provide reliability and integrity of the accounting and management information, as well as compliance of transactions with the law, supervisory regulations, self-regulatory rules and internal provisions.

## Governance and Compliance

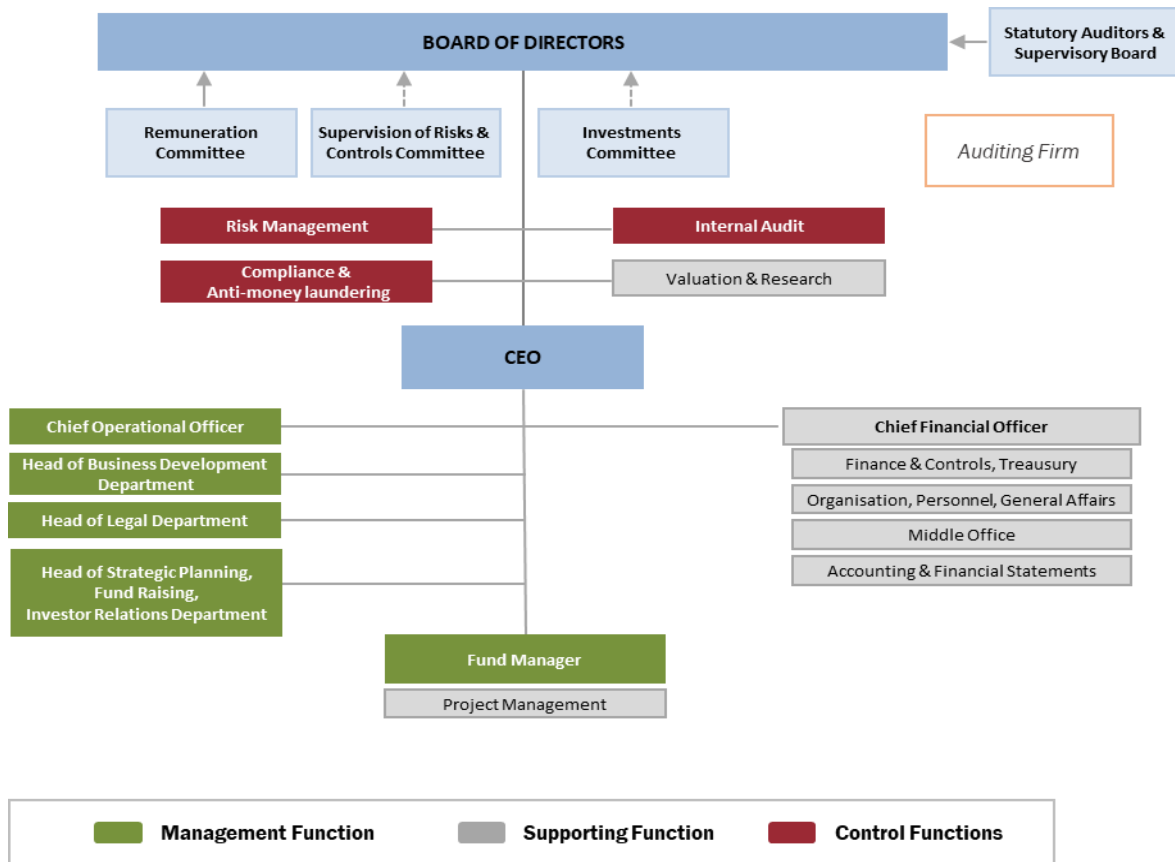
The primary objective of the SGR is the valorization of the shareholders' investment and of the subscribers to the Funds thus, to guarantee in good timing, successful economic results. This mindfulness has led the SGR to identify the core value of its mindset and conduct as the concept of Integrity. The SGR intends to pursue its objectives by seeking harmony among the shareholders' interests while maintaining and developing the bond of trust in compliance with all the provisions of law and regulations in which Fabrica Immobiliare SGR operates, maintaining at heart the principles of honesty, respect, impartiality, reliability, loyalty, fairness, transparency and good faith.

The Organizational and Procedural System of the SGR is defined by the Board of Directors and formalized through an organizational chart and a business job description. In addition, the SGR is required by the Bank of Italy to draw up a report on the organizational structure, to be sent on an annual basis. In this regard, the report must be shared with the Supervisory Authority, also should there not have been changes to the aforementioned. This document is approved by the Board of Directors and disclosed to all employees by email. The SGR provides a System of Procedures as regulated by a dedicated organizational procedure. This system consists of:

- i) Organizational Procedures: documents with prescriptive content aimed at defining both general business processes and systematic business processes, repetitive or frequent regarding their operational nature;
- ii) Provisions: these are prescriptive and implementing documents not related to systematic business processes.

Fabrica SGR's Governance System is designed to achieve strategic objectives ensuring effective Governance, in compliance with applicable laws, efficient and fair to all shareholders.

Below is the Company Organization Chart: at the top of the structure there is the Board of Directors which all the company functions respond to.



### Board of Directors

The role of the Board of Directors consists in determining the Company’s objectives and strategic choices, as well as planning and defining investment/divestment policies of the Funds. The Board of Directors is assigned a determining and leading action in the institution and development of new funds and in the management of funds already established. The Board is also to preside a monitoring activity regarding the achievement of the defined investment/disinvestment objectives and policies.

The administrative body is also responsible for: structuring the company’s organization and assigning tasks to the operational functions and to the employees, overseeing internal organizational procedures and the adequacy and reliability of the Company’s IT system, as well as ensuring compliance with the procedures and regulations currently in force.

Within the Board of Directors there are two Independent Directors who do not perform executive duties and do not maintain with the Company or with subjects related to the Company any relationship, as to avoid conditioning their autonomy of judgment.

### Board of Statutory Auditors

The Board of Statutory Auditors supervises compliance with the law and the Bylaws, compliance with the principles of sound administration and the adequacy of the organizational, administrative and accounting structure, adopted by the company, and its correct functioning.



## Supervisory Body

The Supervisory Body looks after the responsibility of institutions for crimes committed in the interest or advantage of the latter, as provided by art. 6, paragraph 1, lett. b) of d.lgs. June 8<sup>th</sup>, 2001 n. 231. The Supervisory Body of Fabrica SGR coincides with the Board of Statutory Auditors.

## Investments Committee

The Committee is composed by a team of experts who after reviewing the funds' BP, analyze, evaluate and express their considerations, yet not binding opinion, on investment/disinvestment proposals. They provide the opportunity to further oversee investments, in the interest of investors.

## Risk and Control Review Committee

The Committee is composed of 5 members: i) two Independent Directors ii) the Head of: Compliance and Anti-Money Laundering; Internal Audit and Risk Management. They all maintain their prerogatives of functional autonomy, in compliance with the direct obligations established by the legislation in force. The Chairman of the Board of Statutory Auditors is invited to the meetings of the Committee.

The Risk Committee is responsible for assisting the Board of Directors of the SGR on:

- i) The identification of controls, so to manage potential situations of conflict, with the interest of the participants in the mutual funds under management;
- ii) The implementation of the guidelines and policies on risk management, compliance control and internal audit determined by the Board of Directors;
- iii) To complete any concerning additional task assigned by the Board of Directors.

## Remuneration Committee

The Committee is composed of three members chosen by the Board of Directors, from among the non-executive Directors. Most of them are independent from the company, as in observance of the regulations.

This Committee advises the Board of Directors on Remuneration Policies.

Fabrica's Remuneration Policy is a fundamental tool in support of SGR's medium-long term strategies, designed with the aim of:

- create value over time and pursue sustainable growth for shareholders, employees and investors;
- attract, motivate and retain employees. To create a sense of community and cultivate the company's philosophy on performance and merit;
- promote sound and effective risk management and discourage non-coherent risk assumption and inconsistencies with AIFs regulation, actions that affect both the funds and the Asset Manager;
- assign to the employees, where necessary, specific objectives consistent with the purpose, values and interests of the company and the investors of the AIFs it manages, providing for measures to avoid conflicts of interest.

## Model 231/2001

The SGR has adopted its own 231 model and a Code of Ethics. Both are based essentially on the transparency of the economic actions of the SGR and the correctness of conduct and respect for human rights. The model provides appropriate protocols for every activity of the SGR supported by operating procedures, which are inspired by the principles below mentioned.

Fabrica operates in compliance with all the dispositions of law and regulations and is anchored to a series of principles consolidated over the years, such as: honesty, respect, impartiality, reliability, loyalty, fairness, transparency and good faith.

The SGR has also adopted a whistleblowing procedure which influences all the most relevant regulations, as may be the Consolidated Law on Finance, market abuse and anti-money laundering activities. In summary, the system allows to be able to report to the Supervisory Body or to Internal Audit anonymously, any behavior that differs from the principles on the Code of Ethics and the SGR regulations. Reports are treated with the utmost confidentiality and in compliance with the GDPR law.

## Code of Conduct

Scrupulous attention on Work Ethics has taken, also as a result of the introduction of the 231Model, a moral value. It has given fundamental importance to ensuring actions coherent with the organization's principles. This focus leads Fabrica SGR to furthermore define the set of values it wants to inspire and the responsibilities it assumes, both internally and externally. The Code of Conduct is therefore designed and urged by Fabrica with the aim of clearly and transparently define the set of values that shall inspire the achievement of its objectives.

Conformity with the rules contained in the Code of Conduct is essential for the proper functioning, reliability, reputation and image of the company. Activities are thus performed in compliance with the law, within a framework of fair competition, honesty, integrity, fairness and good faith, and with respect for the legitimate interests of clients, employees, shareholders, business and financial partners as well as within the community in which the company operates. Therefore, all those working with the SGR, without distinction or exception, must be committed to observing and enforcing these principles within the scope of their duties and responsibilities. In no way to believe to be acting to the advantage of the SGR shall justify behavior contrary to those principles.

Compliance with the Code of Conduct by the Recipients is of fundamental importance for the proper functioning, reliability, transparency and reputation of the SGR, factors that constitute a decisive advantage for the success of the company itself.

## Code of Ethics

The Code of Ethics is the set of ethical-behavioral rules subject to constant divulgence to all company personnel and continuously subjected to substantiation, ensuring its correct application. The Code clearly and transparently defines the set of values on which the SGR guides operations so to achieve its goals. Fabrica SGR recognizes the importance of ethical and social responsibility within the conduct of business and is committed to operate with respect to the legitimate interests of its shareholders and the community. At the same time, it requires employees, tenants and all those who cooperate with Fabrica to respect the company rules and precepts set out in this Code.

To ensure the promulgation of the Code of Ethics, Fabrica SGR provides the Code of Ethics at the time of recruitment, so that knowledge and promotion of Fabrica's values is guaranteed across the company.

## Sustainability Policy

The Sustainability Policy introduced by Fabrica, has made of Sustainability a pillar on Fabrica's decision-making processes, raising awareness on its people, corporate structures and external collaborators and on shareholders, with whom the SGR interfaces daily.

It is in this sense that Fabrica's commitment to ESG matters is expressed in the documents subscribed by the companies in business with the SGR. As of 2021, in the contracts with Property and with suppliers, the agreement to the Sustainability Policy is requested and the collection of data is now an integrated activity: consumption data and information regarding social aspects as well as encouraging comments and suggestions. By including the Sustainability Policy in the contracts, the SGR wants to ensure commitment to the standards of Real Estate Sector it chooses to operate in, so to surround itself with a sustainable and conscious network, coherent with its values.



## Internal Control System

The Internal Control System is the set of rules, controls and organizational structures that, starting from an adequate process of identification and measurement of the risks inherent in the SGR and the business in which it operates, enables effective and timely management and monitoring. Fabrica SGR has developed an efficient internal control system for risk monitoring, based on three levels:

- The Risk Manager monitors a series of predefined risks, with particular focus on tenant analysis;
- The Head of Compliance and of Internal Audit perform periodic verifications, with self-government, based on a system of codified procedures.
- All functions ensure effective controls, in sensitive areas such as anti-money laundering and conflict of interest monitoring.



Fabrica has set up the Risk and Control Supervision Committee, which is entrusted with the role of assisting the Board of Directors with regards to:

- management of situations of potential conflict of interest
- risk management and internal audit policies and guidelines

Management Control is aimed at ensuring the correct functioning and the good performance of Fabrica SGR. This tool is also designed to effectively, transparently and timely ensure management, monitoring and reporting of the business and of the assets under a long-term perspective. The Board of Directors is committed to support, through the promotion of corporate policies, a culture of internal monitoring in order to transmit the values of the SGR to all employees, while raising awareness and participation regarding the application of rules and procedures.

The Risk Manager determines the risk profile of each fund in line with international best practice scenarios. The person in this role is to verify the consistency between the level of risk of the funds and their risk-return profile and to update the map of risks, including the introduction of the Sustainability risk. On this regard, the Risk Manager defines the Sustainability profile of the AIFs managed, by referring to the information and characteristics of the properties, also inferred following the ESGs due diligence, as well as defining qualitative elements not always attributable to quantitative analysis and relating to the specificities of the AIF.

Risk Management operations:

- Monitors each possible risk to which each fund may be exposed to, including:
  - Market risk:* concerns fluctuations of macroeconomic variables and/or specific characteristics of the Real Estate Fund's portfolio. The impact of market risk on both Real Estate and movable assets is estimated. The analysis is based on the evaluation of the portfolio composition, and on the application of stress tests in order to determine an IRR @ Market Risk of the Fund. The expected evolutions of the main significant macroeconomic variables and idiosyncratic variables are thus incorporated.
  - Credit and counterparty risks:* risk of losses arising from the insolvency of counterparties and/or from the deterioration in the creditworthiness. Analysis based on external ratings and internal models, to assign a probability of default to each counterparty. The credit risk assessment shall be conducted with a prospective approach. In addition, regular monitoring of credit ageing (late payments) is performed.

*Risk arising from the impossibility for the SGR and/or the fund to honor payment commitments in time.*  
 This risk consists of 2 main elements:

- i) Market Liquidity Risk: the analysis is based on the fund's Business Plan and conducted through the background analysis, aimed at evaluating exogenous and endogenous stress (on interest rates, CAPEX levels, late payments, inability to sell assets at a reasonable price within an acceptable time frame),
- ii) Financial and refinancing risk (difficulty to obtain funding).

*Operational risks:* risk of losses related to inadequacy or malfunction of internal processes, procedures, personnel or systems, or caused by external events (the legal risk, violation of regulations, contractual or extra-contractual disputes, outsourcing issues). The risk manager periodically performs an overall assessment of operational risks involving all internal and external functions. For each risk described above, the Risk Manager determines, through background analysis, the IRR @ Risk, compared to the fund's IRR by Business Plan.

*Sustainability risks:* the risk of an Environmental, Social or Governance event or condition occurring, which may cause negative impact on the investment's value.

- Prepares a tailor-made report for all major recipients, as Board of Directors, investors, Supervisors, Control Functions, among others
- Implements hedging strategies to mitigate the impact of identified key risk factors. The efficiency of hedging strategies undergoes periodical assessment.

Compliance, as a permanent function of effective and self-contained conformity control, performs *ex ante* and *ex post* control activities:

- monitors and periodically assesses the adequacy and effectiveness of the measures, policies and procedures taken as well as those addressing any deficiencies in the SGR's fulfilment of its obligations;
- consults with persons relevant to their provision of services and activities and assist them in fulfilling their obligations under the provisions transposing Directive 2011/61/EU;
- submits systemically to the company bodies, through the Head of Department, reports on the performed activities;
- supports the identification and execution of regulatory training measures.

The Head of Internal Auditing, through the adoption of evaluation and reporting tools identified by the audit standards used, performs according to the following methodology:

- identification and prevention of risks;
- verification of internal controls and assessment of the adequacy of the structures of the reference subsystems (structures / resources - organization / processes);
- process' analysis on line controls, risk management controls, compliance controls;
- process' identification of strengths and weaknesses;
- identification of solutions;
- proposals on changes to be made and monitoring of the implementation of such organizational interventions.

# The sustainable vocation of our funds

Fabrica was among the first operators in Italy to believe in the possibility of reconciling the profitability of Real Estate investments with a Sustainability Profile aiming at positive social impact thus, acting towards the development of the Country. The SGR manages among others, funds dedicated to actively contributing to a social transformation process, perceptible within the Local Community. By placing Social Impact investments at the center of its activities, Fabrica has made it possible to launch various interventions, with the ambition of creating positive and concrete social impact. Therefore, in the implementation of its projects, the SGR acts as main reference point, contributing to increase the well-being of Local Communities, concentrated upon sustainable development and pursuing better social economic conditions of the territory in which it operates, therefore of the individual people who live in it.

The Covid-19 pandemic has had significant social and economic consequences for all, leading to major changes of thinking and acting among the population. The resources made available by the European Union through the "Next Generation EU" are unprecedented and the PNRR, Italian declination of the European program, will surely have a significantly positive impact on economic growth and productivity.

This offers a historic opportunity to address existing weaknesses, strengthen the resilience of the socio-economic system and foster its evolution towards greater Economic, Social, Environmental and Institutional Sustainability.

Topics such as urban regeneration, development of initiatives in support of residency for the vulnerable sections of the population, attention to the quality of life, are destined to assume a significantly more important role in the public debate, influencing legislations and business dynamics, with positive effects for the generations to come.

## Social Housing

Fabrica SGR directs a significant share of its investments onto Social Housing: on December 31<sup>st</sup>, 2021 the SGR put in place projects for a total of 56 Million Euro invested. To date, 3 initiatives for more than 400 apartments at reduced rent fee, already delivered or in the process of assignment; throughout the year construction of new complexes, for a total of 70 housing accommodation has also begun. The SGR has the resources to develop social housing projects for an additional 75 Million Euro, of which 40 Million Euro shall be invested in southern Italy.

Fabrica manages two dedicated funds, whose main shareholder is CDP Immobiliare SGR (Cassa Depositi e Prestiti Real Estate Group): one for the realization of an urban development project in Cesena, the other destined to interventions in the main cities of Southern Italy. CDP Immobiliare has Co-invested with the Sicilian Region, starting at 30 Million Euro for the realization of a specific program dedicated to the Island.

Below is an overview of the work in progress/delivered by Fabrica SGR:



### Cesena

342 accommodations (in progress)



### Bari

227 accommodations (delivered 2020)





### Matera

117 accommodations (delivered 2021)



### Lecce

67 accommodations (delivered 2019)

Social housing represents for the SGR the opportunity to make social contribution, combining the services evolved with the collective living, all at reduced rent fee.

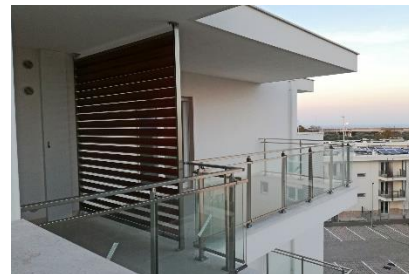
Social Housing means interventions such as:

- Implementation and investment in measures to ensure **housing welfare** and **social integration**, supporting those who cannot find an adequate response to their housing needs on the market;
- Realization of **mixed-use** interventions that in addition to housing also provide **support initiatives** (as may be a common vegetable garden, common social spaces...).



What characterizes social housing is the strong attention to the **participatory and collaborative dimension of living**, where the recipients are involved before, during and after entering their new homes in moments of mutual knowledge, co-planning and direct experimentation of the practices and tools of collaborative living.

These interventions, in addition to having a strong social value, have the objective to repurpose **the environment**. This is done through the integration of **sustainable and eco-compatible solutions**, with regard to energy consumption and environmental impact. Disused urban areas are preferred with the aim to repurpose the locality.



## Student Housing (Residences for University Students)

About residency for university students, Italy faces a large gap between the demand for beds and the offer of structured solutions: according to recent surveys, the current offer covers less than 10% of potential demand. As a result, most out-of-home students are forced to resort to the private market which implies, especially in university-cities, high costs for their families, for often inadequate rooms or accommodation which are either obsolete or of poor quality.

The ability to provide students with an adequate beds' supply is a topic of great concern. It was re-launched in 2021 with the PNRR, allocating significant resources to support this sector with the aim of, in 2026 counting on 100.000 beds in university cities.

Increasing the availability of structured solutions, managed by professional operators and with controlled fees, means investing in the future of the young generations and helping to optimize the financial resources of the families, providing concrete support for the development of infrastructures which are at the most need of intervention.

With over ten years of experience in the sector, Fabrica has been the first operator in Italy to invest in the segment through Real Estate Funds and to date, it is the main institutional investor, holding a 12.5% share of the National stock. The SGR has 10 structures in portfolio, situated in the main Italian university cities, for a total investment of over 235 Million Euro which have led to the realization of approximately 5.500 beds, of which a meaningful percentage under reduce rent-fee.

The first operation was the construction of the Rome Tor Vergata Campus, a university citadel completed in 2010: pioneer in Italy of a concept able to combine housing offer and integration of quality services for study and leisure.

In 2012, the SGR further specialized in the sector by starting the first Real Estate Fund in Italy for the construction of residences for students with reduced rent fees. The Aristotle Fund, aggregating the resources made available by CDP Immobiliare SGR (Cassa Depositi e Prestiti Real Estate Group) and indirectly by INPS (Italian National Pension Fund), has helped to fill the gap between demand and supply of student beds in some of the main Italian university cities: Turin, Bologna, Venice, Padua.

Below, the most relevant Student Housing initiatives:



Rome

1.500  
beds



Turin

560  
beds



Venice

640  
beds



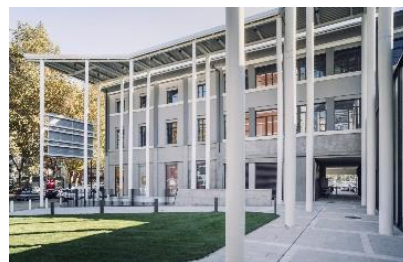
Padua

210  
beds



Bologna

220  
beds



Turin

330  
beds

## Synthesis of the main traits characterizing student housing

The interventions dedicated to residences for university students are aimed at the creation of structures that combine the high demand of students and the **specificity of the services**, integrating **common areas**, such as:

The services offered in these facilities are designed to meet the needs of students, facilitating access to services such as libraries and gyms



As for Social Housing, also for Student Housing, an essential trait is represented by the community and the collective use of spaces and services

## Senior Living

The current ageing of the world's population is an unprecedented phenomenon. According to Nomisma, **in Italy** people over 65 years of age should amount to **34,3% by 2060**. Italian people over 80 years of age should grow to amount to 16,1%.

As expected, **to be able to meet active aging phenomena needs, will be not only crucial but definitely strategic**. Topic also presents in the **Agenda 2030** as one of the sustainable goals in sight.

This presumes the elderly to remain for as long as possible, responsible for their own lives, and to be part of a network of relationships, projects and activities that allows them to feel they are still the protagonist of their daily lives, giving **active contribution to society and economic growth**.

The Italian Government's PNRR has identified a program for the construction of complexes with independent apartments to provide the necessary services for the safety of elderly people on National territory.

At home service, home automation, telemedicine and multidisciplinary monitoring, shall meet the need to the care for the singular necessities of the elderly, integrating the Social and Health perspectives.

The evolution of family, social and economic dynamics of the recent years has encouraged the spread of new residential care models for the elderly - nursing homes and social housing - which differ according to:

- target (the individual's health and self-sufficiency)
- the intended purpose and level of medical care required.

On 2021, Fabrica initiated the Aristotele Senior Fund: for the first time in Italy, the resources of primary Pension Fund investors (INPS, Inarcassa and Enpap at first) have converged on Senior Living projects.

An intervention program in which welfare invests in welfare, with the aim of developing a structured offer that shall consolidate the national health system's resilience and responsiveness. In addition to offering hospitality and support for residency operations, the houses of Aristotle Senior will allow their guests to have more control over their health-related choices, better quality of nutrition, more self-care and more chances to socialize.

### Assisted-Living Health Care Residences (residential care facility)

Residential model consolidated in Italy. These are residential structures dedicated to the non self-sufficient elderly.

Fabrica has been one of the first operators in Italy to invest in the sector. This choice has allowed the SGR to be among the first players to combine the social dimension with the services developed in the health and social field.



To date, the SGR has developed a significant track record, thanks to the management of a portfolio with 14 facilities: over 2,200 beds and a market value of about 215 Million Euro, located mainly in central-northern Italy and leased to primary, specialized operators.

The Assisted-Living Health Care Residences are included in the Fabrica SGR's investments, in which are present a wide range of activities with high social content. This choice was made, aimed at protecting the dignity of men and women, and improving the quality of life from cultural, healthcare, work-related, recreational and social point of view.

The preeminent intention, is to combine innovative and comfortable facilities with a strong imprint of health care assistance, integrating all dedicated services. These facilities hold agreements with local health system, so people may have an integrated structure of services to facilitate their stay at facilities, such as:



Access to  
treatment



Agreements with  
local healthcare  
structures



Evolved  
services

## Senior Housing

Compared to the more consolidated Assisted-Living compartment, Senior Housing represents a completely new type of investment in Italy. We are in fact talking about residential structures dedicated to self-sufficient elders or Assisted-Living residences where guests can experience a new dimension of social life. The services offered are not of health-related nature, but rather aimed at improving quality of life and meeting needs, as well as sharing and socializing. These facilities do not receive any subsidies from the NHS. This style of housing, widely consolidated in the continent in recent years, is destined to play a decisive social role in Italy in the coming years, due to the socio-demographic changes underway.

Senior Housing is an innovative concept because:

- It involves a wide population target, not served so far by any residential offer, designed solely for those specific needs.
- It aims to promote the concept of "active ageing" (Agenda 2030 for Sustainable Development) and to ensure a better quality of life for people over 65, in addition to their pension benefits.
- It supports the development of the longevity economy: the global economy that revolves around the offer of services and products for people over 65. With an estimated potential of about 3 Trillion US Dollars, and driven by the lifestyle and needs of the *new* elderly – more active, healthy and open to technology – the longevity economy will be the solution to the global aging of the population, relieving relatives from the troublesome task of paying accommodation for the elders in the family and avoiding the risk that millions of elderly people will survive their savings. It is estimated that in the next 10 years, hundreds of new services will flourish for the senior population, from healthcare to credit, from real estate to leisure and travel.
- Combating loneliness - the main risk factor for serious and disabling diseases of the elderly - promotes the preservation of physical and cognitive abilities, causing to happen a virtuous cycle able, over time, to reduce the impact of over-65 care on public spending and NHS.
- It could potentially catalyze a demand component from abroad: foreign nations' elderly interested in living in Italian community contexts (Italian cultural and natural heritage and favorable climate as catalysts, influencing all macro-areas of the Peninsula).

## Health Care

The 6<sup>th</sup> mission “Salute” (Health) of the Italian PNRR aims to strengthen and redirect the NHS in order to improve its effectiveness in responding to the needs of care, also in the light of the critical issues emerged during the pandemic.

A significant endeavor on reforms and investments is aimed at aligning services to patient care in every region of the Country. A large part of the resources is destined to improve the infrastructural and technological equipment, to promote research and innovation and to the development technical-professional, digital and managerial competences.

Such investments have, inter alia, the objective of strengthening local and at home health services, in order to ensure that health care is closer to the most vulnerable. Intended to guarantee the elderly all the necessary care, in while remaining autonomous and within a socially adequate context.

On the regard of this compartment, Fabrica has acted as a forerunner within the Italian market. The first investments run back to 2006, through the pioneering Aristotele Fund. Over the years, the SGR has supported the development plans of important National scientific research institutes: first of all the IEO (European Institute of Oncology in Milan) and then realizing also the IEO2, as well as the Biomedical Campus in Rome, of which it holds participatory shares.

The commitment continues: Fabrica, in fact, is currently placing a new product intended for Italian institutional investors interested in investing in Real Estate projects dedicated to the health sector.

# Engagement and listening tenants


## A transparent relationship

Fabrica SGR manages a mainly core portfolio, leased to tenants of high standing. Tenants require continuous communication and alignment.

To this end, the SGR ensures tenants are fully aware of the values and principles pursued by Fabrica. They are therefore required to comply with the procedures and policies as may be the Code of Conduct. In addition, leases have been updated with the inclusion of ESG clauses and articles. 2021 saw the introduction in the new contracts of the obligation for tenants, to share data on electricity, water and gas consumption.


For Fabrica tenants play an important role, as synergistic relationships are established with each tenant, they are a source of innovation and renewal for SGR. To this end, over 2021 several tenant engagement activities were launched to spread a sustainable culture: an ESG Brochure was created by the SGR and Sustainability workshops were held to share and instill a more responsible conduct.

Under the tenants request technical discussion tables have been set up, aimed at finding synergistic solutions, where Fabrica aims to:




**ACTIVE CONTRIBUTION**

Active contribution to financial-economic sustainability projects for the -where possible- asset improvement, with regard to efficiency works and to improvement works in general



**NETWORK CONSOLIDATION**

Technical round tables favor dialogue with tenants and contribute to the consolidation of long-term relationships



**GROWTH OF ENGAGEMENT**

Engagement is built-up indirectly on two levels: with the Fund subscribers and with the final beneficiaries of the operations (people), that is the users of the assets

These technical round tables allow us to seize ideas for the improvement of our properties, also at tenants' request, taking into account and respecting the expectations and interests of the company. For Fabrica SGR, appeasing tenants' requests means satisfying its customers' and the market's needs. As in the case of Social Housing, the final users (families) have access to affordable housing, or students who gain access to cost-effective facilities that integrate evolved services with their needs at heart.

Among the ambitious objectives that Fabrica intends to pursue, there is a growing centrality of the solid relationship that binds Fabrica to its tenants, through dialog also aimed at spreading awareness on ESG matters. During these meetings, planned annually, suggestions are shared to reduce environmental impact resulting from the use of leased space and ESG guidelines are shared, in order to disseminate a sustainable culture. In addition, throughout 2021, in order to expand engagement with tenants, activities and pilot projects were conducted on assets. Better calibrating and targeting specific interventions which aimed to reduce consumption, certified standards have been achieved.



## Quality of the service

In pursuance of ensuring quality and a winning service, Fabrica's fund management, makes use of the professional figure of the Property and the Facility Manager: a technical expert in charge of carrying continuous screening over the operation and dialoguing with tenants. With reference to social housing, Fabrica also relies on the collaboration of Social Managers who conduct the leased assets and promote Community initiatives or shared services: they are the glue in local communities.

A technical advisor is who:

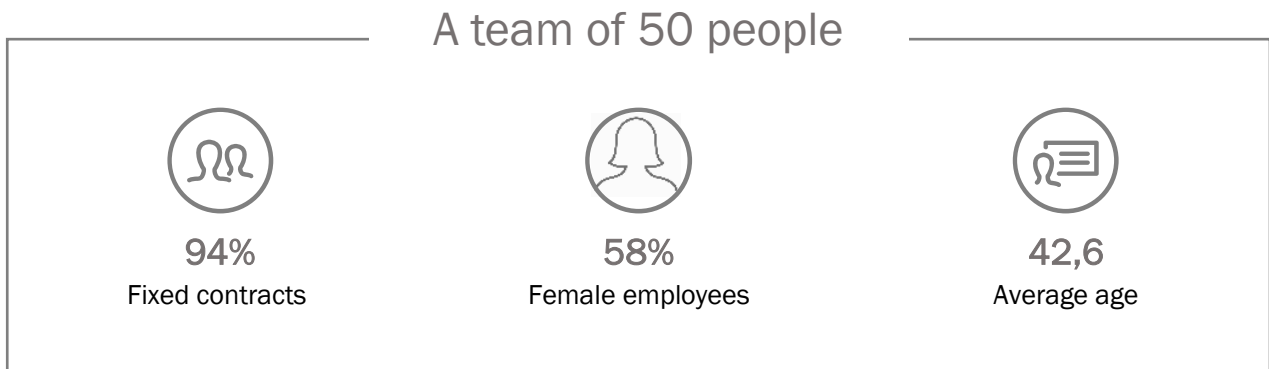
- periodically performs on-site inspections of contracted Real Estate assets;
- performs conformity checks;
- performs necessary due diligence to ensure the standards of conduct and quality expected by Fabrica are met;
- support the tenant.

There are direct communication channels in order to facilitate interaction with tenants and maintain constant dialogue. Over 2021 Fabrica outset a survey aimed at monitoring tenants' satisfaction. It aspires to strengthen and consolidate the relationship with this category of shareholders.

# Responsibility towards our people

## Our people

Fabrica’s personnel management structure is based on the respect for workers' rights, regulated by the Workers' Statute and Collective Bargaining Agreements which apply to all.



Fabrica SGR clearly defines the set of values it is inspired from and the responsibilities it assumes both internally and externally.

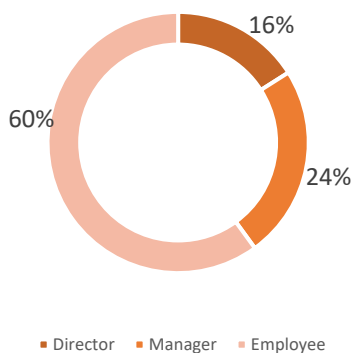
Compliance with the Code of Conduct by the personnel is essential for the smooth operation, reliability and reputation of the SGR. These factors constitute a decisive advantage for the success of the company itself. To this end, all employees are required to:

- Maintain conduct based on respect for the fundamental principles of honesty, moral integrity, fairness, transparency, objectivity and respect for individual personality;
- Apply the principles contained in the Code of Conduct, in pursuit of the company’s objectives, the tasks entrusted by the SGR or the contractual relationship with the same, in all relations with persons and entities internal and external to the SGR, as well as in the relationship with shareholders;
- To protect, by good behavior, the respectability and the image of the SGR and to preserve the integrity of the company’s assets.

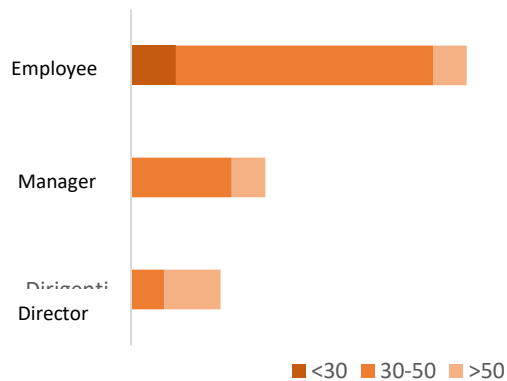
Over half of the resources is represented by the professional category of employees in line with the industry trends. As to gender composition of the company, the ratio is balanced.

For each occupational category, more than half belong to the 30 to 50 years of age group.

Personnel composition



Age brackets



## Diversity & non-discrimination

Diversity and inclusion have always been for Fabrica the *conditio sine qua non* for the performance of work and for the establishment of professional relationships.

The evaluation of the personnel to be recruited is carried out based on the correspondence of the candidates' profiles in accordance with the company's needs, always safeguarding equal opportunities for all. The information requested is directly linked to the verification of the aspects required by the professional and psychological profile, with absolute respect for the private life and beliefs of the candidate.

In the management of hierarchical relations, authority is exercised with fairness, categorically avoiding any abuse whatsoever. It is an abuse of the position of authority to require, as an act due to a superior, any performance, personal favor or behavior that constitutes a violation of the Code of Conduct. The SGR has a no tolerance policy for harassment, under any circumstance:

- acts of psychological violence, bossing or bullying. An intimidating, hostile or isolation work environment against individuals or groups of workers;
- the unjustified interference with the performance of other's work;
- to obstacle an individual's work for reasons of personal competitiveness, or other.

Sexual harassment is not tolerated nor any behavior or speech which may disturb the sensitivity of others.

At Fabrica, gender diversity has always represented growth and innovation. The percentage of female presence is above the industry rate.

## Training & remuneration

Human Resources, with the control functions support, provides each year that every employee receives adequate training consistent with the professional category and skills. This way, constant alignment with the relevant legislation and specific knowledge is maintained in appreciation of the employee.

The training provided covers different subjects, from general training for all employees on human rights and anti-corruption, to specific training accordingly to the role.

Examples of specific training are: sessions on current legislation, AML, internal procedures and Model 231, as well as Business English courses provided for managers and directors, as managerial development.

Since 2020, an entirely dedicated internal training on Sustainability was initiated; action which corroborates the attention on this matter not only towards the outside but starting from the SGR's people.

In 2021, among the main organizational processes, the Knowledge Sharing training methodology was substantiated, based on a mix of interventions from both, high external professional profiles and company staff. It has made it possible to achieve goals such as: sharing of information, sharing of experiences and collective comparison between colleagues, establishing defining corporate growth individually and as a group.

The idea of a shared training has been appraised as extremely useful, creating and improving the employees' engagement on common issues and as an important tool for conferring activities and performance, among company staff.

As regards to the neo-recruits an induction is dedicated, to ensure that the new resource has all the knowledge and tools to develop their skills.

The total hours disbursed in 2021, are aligned with 2020 and, despite the reduction of the required minimum hours, the SGR kept and achieved its objectives on staff development training.





Fabrica SGR is always on the look-out for new talent, establishing and maintaining relationships and partnerships with institutions and universities in order to maintain a direct channel to attract young resources with fresh ideas.

It should be noted that to define remuneration policies, the SGR is guided by the following principles:

- the alignment of the remuneration system with the strategy, objectives and values of the company, as well as the interests of the manager and the Managed Funds;
- linking the remuneration system with the risk profile of the company, in order to promote sound and effective risk management;
- the compatibility of the remuneration system with the levels of profitability of the company and the AIFs it manages;
- the orientation of remuneration policy towards medium to long-term business results;
- compliance with the rules of good conduct;
- the prevention of possible conflicts of interest;
- the identification of ESG objectives in line with the areas pursued by the company.

The Company's Remuneration Policy is a fundamental tool in support of the SGR's medium to long-term strategies and is designed to:

- Sustainable valorization: creating value over time and pursuing sustainable growth for shareholders, staff and investors;
- Competitiveness: attract, motivate and engage employees, creating a sense of identity and developing a corporate culture based to performance and merit;
- Alignment to the corporate strategy: assigning to each role, specific tasks consistent with the objectives, values and interests of the Company and of the AIF investors while considering, at all times, measures to avoid conflicts of interest;
- Sustainability: to facilitate the integration of the Company's sustainability objectives with the traditional criteria assessing performance, and in accordance with what required by the National and European legislation;
- Governance is to be transparent and in compliance with the regulatory framework: the Policy is consistent and coherent with the regulatory framework.

With regard to Sustainability, in line with the directions of the EU Regulation 2019/2088 (c.d. SFDR) and the principles contained in art. 5 of the same Regulation, Fabrica SGR has set up an incentive system that links remuneration to specific sustainability goals: (i) Environmental, (ii) Social and (iii) Governance. As for Environmental, specific objectives related to the energy profile of the buildings in portfolio, urban regeneration and energy consumption have been defined. With reference to Social, specific objectives related to investments in Social Housing, university residences, healthcare/assisted facilities for the elderly, support of local communities and Tenant engagement, have been defined. Last but not least, as for Governance, specific objectives have been defined on Business Ethics and Anti-corruption.

## Health and Safety

SGR is committed to promoting and developing occupational safety, cultivating awareness on risk management, promoting responsible behavior and preserving, especially by preventive actions, the health and safety of all employees and collaborators.

All employees and collaborators are required to comply with the rules and obligations under the legislation on Health, Safety and Environment, as well as to comply with all the measures required by internal procedures and regulations. Employees/collaborators, as part of their duties, shall participate in the training process of risk prevention, environmental protection and health and safety protection.

To such end Fabrica ensures continuous monitoring of the risks that could impact on the health and safety of personnel, in particular the identification of the risks by:

- With the Employer's knowledge, the Head of the Prevention and Protection Service, in collaboration with the Corporate Doctor, monitors the workplace:
  - Single or multi-workstation offices at VDU,
  - Refreshments or transit areas,
  - Technical or service areas
  - Mobile construction sites (limited access: only persons dedicated to the buildings' design and coordination of the operation)
- Analyzing all components likely to determine risk to the safety and health of the workplace such as:
  - Workstation ergonomics including microclimatic and luxmetric parameters,
  - Dimensional requirements of the working space and as provided for in Title II of D. Lgs 81/08,
  - Hygiene of premises by visual inspection and microbiological monitoring of the air and surface matrix of individual rooms.
- Through the protocol of health surveillance and the assessment of specific risks to the health of workers (chemical, biological, physical and other risks contemplated in the Consolidated Law), all risk factors to which workers are exposed to must be monitored.

In order to prevent anomalies or in-sight issues from escaping the company's safety management protocol, the Representative of the employees for Safety at the Workplace, collects the Workers' reports and communicates them to the person in charge. These reports then feed into the periodic risk assessment together with the information collected by the Supervisory Body on a regular basis, in order to keep the monitoring system up to date.

In the event of criticality, the consequent corrective actions are carried out in order to ensure immediate resolution.

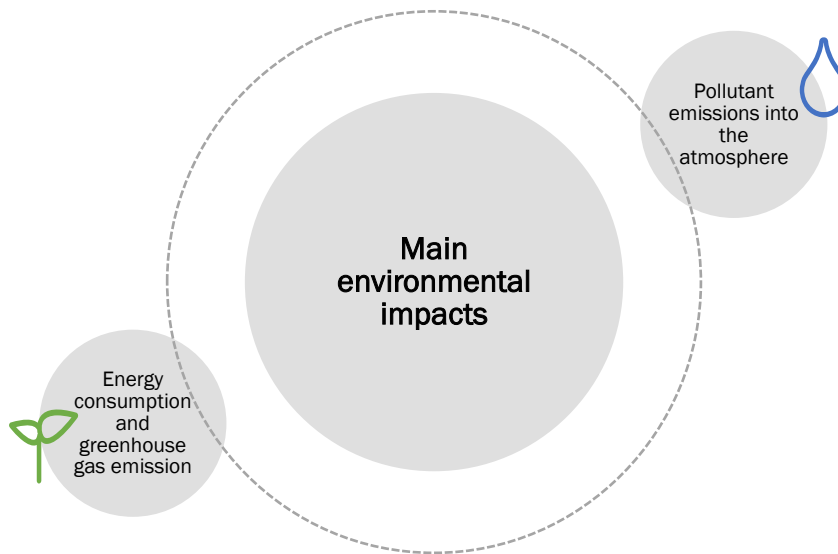
Training is provided for all, accordingly to the workers who only perform VDU work and those who execute coordination activities at temporary work sites and are subject, therefore, to risks of different nature.

Fabrica values the health of its employees and has a strong regard for COVID prevention; in 2021 working-from-home and the alternation at the workplace were adopted. In line with the COVID protocol, updated according to the fluctuant situation, temperature checks are present at the time of entry and weekly PCRs are done to all employees, so to monitor health. In order to maintain the correct social distance and prevent infection, Plexiglas devices have been installed and the obligation to use a facemask has been maintained.

# Environmental focus

## Environmental impact

The main impacts related to the work of Fabrica SGR can be traced back to the following:



Fabrica SGR has always paid particular attention to the environmental impacts generated in each phase of its activities and is committed, not only to comply with national and local legislations but also in seeking and evaluating evermore sustainable alternatives. Fabrica monitors its energy consumption, with a higher frequency than required by current regulations and is periodically audited by external bodies.

Fabrica SGR quality system is ISO 9001 and has been certified for Quality System Management.

The Company, in line with major national and international reference standards, endeavors to act accordingly to ESG principles on its investment choices, steering those choices towards assessments that also take environmental criteria into account.

The implementation of these criteria represents, in addition to being aligned with the legislation, the willingness to consider Sustainability on every strategic and operational choice.

This process is clearly reflected in the choices made by Fabrica SGR, and the funds: to invest in segments with a strong Social value, as well as to integrate Environmental positive impact. Choosing as much as possible urban regeneration operations that combine the use of energy from renewable sources and energy efficiency is an example of how the above criteria are implemented.

Fabrica SGR with regard to direct impacts, manages its properties with particular attention on the following subjects:





### ENERGY CONSUMPTION

Fabrica SGR commits to monitor energy consumption and CO2 emissions, contributing to the reduction of environmental impacts. The company tends to contain mission travel as much as possible, favoring smart working



### WASTE MANAGEMENT

The practice of separate collection is extremely important for Fabrica, in fact recycling and re-utilization of materials is promoted



### WATER RESOURCES

In 2020 Fabrica SGR installed water dispensers to reduce the use of plastic and also distributed reusable water bottles, pursuing not only a mindful water consumption but also a plastic free culture

The SGR is attentive to the indirect impacts generated by its activities bringing ESG principles outside the organization, looking to establish a shared virtuous behavior.

The involvement of shareholders and especially tenants, as they are the direct link with the community in this process, is constant. The SGR has set guidelines for its tenants guiding them towards actions compliant with ESG matters.

The integration of these parameters would also allow to optimize risk mitigation processes and to seize new opportunities, in line with the interests and expectations of shareholders.

## Energy consumption

Fabrica SGR’s energy consumption is mainly due to the supply of electricity for office activities, that is, for equipment and lighting. Consumption related to office heating is marginal.

The table below shows the energy consumption of Fabrica for the years 2020 and 2021 and, as may be seen, 2021 shows an increase in the percentage of the same by 10% compared to the previous year, by improving the efficiency of the data collection and reporting process.

### Electric consumption in the company (GJ)



Fabrica pays constant attention to the efficiency and optimization of energy consumption in its offices: with an automatic energy saving system at night, a paper-less approach aimed at the optimization of paper consumption and the use of recycled paper, which has a direct impact on waste control.

Fabrica SGR also poses the Environment, as one of the investment choices’ main drivers, and integrates it in its operations:

- All the real estate development/regeneration operations in which the SGR is involved, include assets’ energy requalification, as well as obtaining the relative certifications;
- The SGR foresees, for new developments, to give preference to urban redevelopment operations, in order to limit the consumption of new land and contribute to the enhancement of the existing urban areas.

As of Environmental reporting, one of the new initiatives undertaken during 2021 concerned Fabrica’s commitment to the issue of buildings’ energy consumption.

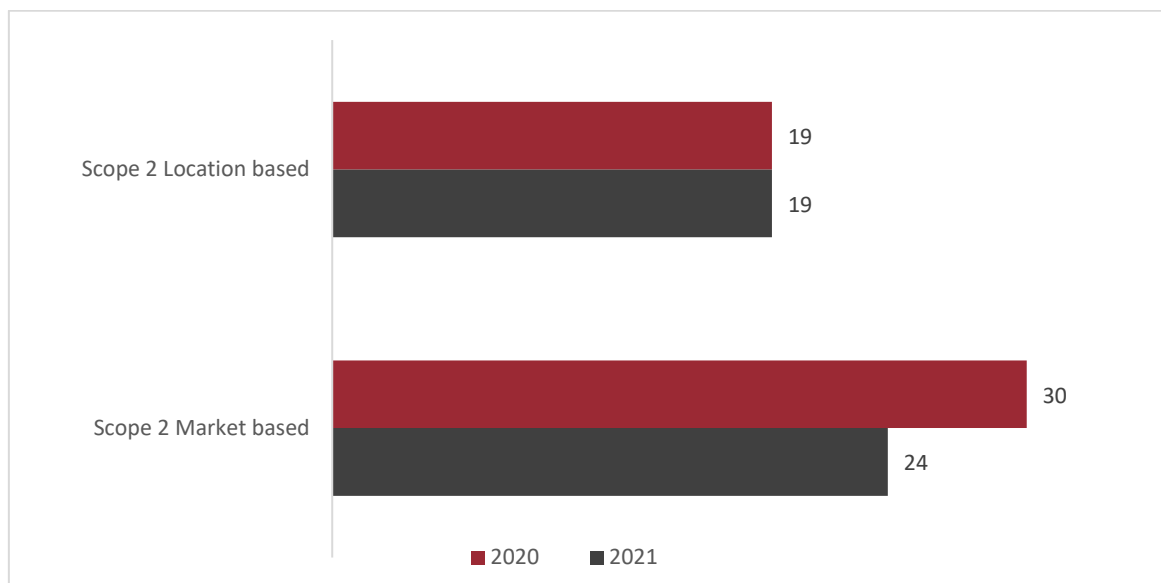
The SGR has worked to bring this issue to the attention of Property Managers, considering it an integral part of their work. Regarding the newly concluded contracts, Fabrica’s commitment was aimed primarily at inserting a format into the contract designed to collect and monitor the building’s energy consumption, looking for energy efficiency and its reduced consumption, and waste management. Moreover, the involvement of Property Managers is extended to an active participation in the identification of specific interventions aimed at the optimization the assets’ energy consumption. In this way, the SGR hopes to raise awareness on Environmental issues and Sustainability. Other similar activities are being studied to support the improvement and/or implementation of further services with positive on Social matters.

## Emissions

In order to monitor its Environmental impact and implement initiatives aimed at its mitigation, Fabrica SGR ensures to quantify the greenhouse gas emissions associated directly or indirectly with its activities, by monitoring and reporting its direct (Scope 1) and indirect (Scope 2)<sup>1</sup> emissions.

With reference to direct emissions, emissions are zero as Fabrica SGR does not have a company cars fleet and does not use gas as an energy carrier. Regarding indirect emissions, that is, from the consumption of electricity, there are two calculation methodologies<sup>2</sup>: using Market-based calculation method (scope 2). Emissions in 2021 amounted to 24 tCO<sub>2</sub>e, lower compared to 2020 by about 20% (in 2020 30 tCO<sub>2</sub>e). Using the Location-based calculation (Scope 2), in 2021 they were attested to 19 tCO<sub>2</sub> same as in the year 2020.

### Scope 2 (tCO<sub>2</sub>e) Emissions



<sup>1</sup> The GRI Sustainability Reporting Standards provide two methodologies for calculating Scope 2 emissions, the "Location-based method" and the "Market-based method".

<sup>2</sup> For the calculation of Scope 2 emissions, according with the GRI Sustainability Reporting Standards, both calculation methodologies were used. The Market-based is based on CO<sub>2</sub>eq emissions emitted by energy suppliers from which the organization purchases, through a contract, electricity and can be calculated considering: Energy Guarantee of Origin certificates and direct contracts with suppliers, supplier-specific emission factors, emission factors related to the "residual mix", i.e. energy and emissions not monitored or reclaimed (methodology used, with emission factor Italy 2021: 459 gCO<sub>2</sub>eq/kWh - source: AIB - European Residual Mixes updated in 2021). The Location-based method is based on average emission factors related to power generation for well-defined geographical boundaries, including local, sub-national or national boundaries (methodology used, with emission factor 2021: 259.8 gCO<sub>2</sub>/kWh - source: Abi Lab Guideline). Scope 2 emissions calculated using the location-based method are expressed in tons of CO<sub>2</sub> equivalent.



## Methodological note

This document, which represents the second Sustainability Report of Fabrica SGR, aims to transparently communicate the sustainability strategies of Fabrica Immobiliare SGR (in the document also "Fabrica" or "SGR") with regard to the performance on the field of Environmental, Social and Governance sustainability for the financial year 2021 (from 1 January 2021 to 31 December 2021).

The data for 2020 is reported on the Sustainability Report for comparative purposes, to allow shareholders to evaluate performance over time. In order to ensure the reliability of the data, the use of estimates has been limited as much as possible, which, is properly reported and based on the best available methodologies.

The annual Sustainability Report has been drawn up in accordance with the Global Reporting Initiative Sustainability Reporting Standards, defined by the Global Reporting Initiative ("GRI"). In addendum to the document is present the "GRI Content Index", with the reported indicators details.

The content subject to reporting was selected based on the results of a materiality analysis performed in the year 2020 and updated during 2021. It has allowed to confirm material aspects for Fabrica and its shareholders and to identify new ones, as described in the paragraph Shareholder engagement and updating of the materiality matrix of this document.

The perimeter of the data and economic information is the same as that of the Fabrica SGR Financial Statements dated 12-31-2021. Regarding environmental, health and safety and personnel data, the data refers exclusively to the employees of Fabrica SGR and its offices in Rome and Milan.

In 2021 it is reported that there were no significant changes related to the size, ownership structure and supply chain of the Company.

Fabrica SGR's Board of Directors has approved the Sustainability Report on March 30th 2022, coinciding with the approval of the 2021 Annual Report.

For further information and suggestions regarding the Fabrica SGR Sustainability Report, please contact the company through the website [www.fabricasgr.com](http://www.fabricasgr.com).

This document is also available on the website [www.fabricasgr.com](http://www.fabricasgr.com).

# Addendum

## GRI 102-8 Total number of employees by type of contract (fixed, short-term and apprenticeship) and gender

Contract	2020			2021		
	Men	Women	Total	Men	Women	Total
Fixed	19	33	52	20	27	47
Short-term	1	0	1	1	2	3
Apprenticeship	0	0	0	0	0	0
<b>Total employees</b>	<b>20</b>	<b>33</b>	<b>53</b>	<b>21</b>	<b>29</b>	<b>50</b>
Interim	0	0	0	0	0	0
Intern	0	0	0	1	0	1
other	0	0	0	0	0	0
Total	0	0	0	1	0	1
<b>Total employees</b>	<b>20</b>	<b>33</b>	<b>53</b>	<b>21</b>	<b>29</b>	<b>50</b>

## GRI 405-1 Total employees by gender and occupation

Professional Category	2020			2021		
	Men	Women	Total	Men	Women	Total
Director	7	1	8	7	1	8
Manager	5	8	13	5	7	12
Employee	8	24	32	9	21	30
<b>Total</b>	<b>20</b>	<b>33</b>	<b>53</b>	<b>21</b>	<b>29</b>	<b>50</b>

## GRI 102-8 Total number of part-time/ full-time employees by gender

Employment contract	2020			2021		
	Men	Women	Total	Men	Women	Total
Full-time	20	29	49	21	26	47
Part-time	0	4	4	0	3	4
<b>Total</b>	<b>20</b>	<b>33</b>	<b>53</b>	<b>21</b>	<b>29</b>	<b>50</b>

### GRI 401-1 Recruiting

N° of employees	2020				2021			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
Men	1	1	-	2	-	5	-	5
Women	-	2	1	3	2	1	-	3
<b>Total</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>5</b>	<b>2</b>	<b>6</b>	<b>-</b>	<b>8</b>

### GRI 401-1 Recruiting Rate

Recruiting %	2020				2021			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
Men	33%	6%	0%	10%	0%	31%	0%	24%
Women	0%	8%	25%	9%	50%	5%	0%	10%
<b>Total</b>	<b>13%</b>	<b>8%</b>	<b>20%</b>	<b>9%</b>	<b>50%</b>	<b>17%</b>	<b>0%</b>	<b>16%</b>

### GRI 401-1 Termination

N° of employees	2020				2021			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
Men	-	3	-	3	-	3	-	3
Women	-	1	-	1	-	7	-	7
<b>Total</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>10</b>

### GRI 401-1 Termination Rate

Termination %	2020				2021			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
Men	0%	19%	0%	15%	0%	19%	0%	14%
Women	0%	4%	0%	3%	0%	37%	0%	24%
<b>Total</b>	<b>0%</b>	<b>10%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>29%</b>	<b>0%</b>	<b>20%</b>

### Total percentage of employees covered by collective bargaining agreements

Employee %	2020	2021
%	100%	100%

### GRI 401-3 Parental Leave

N° of employees	2020			2021		
	Men	Women	Total	Men	Women	Total
Total number of employees entitled to parental leave	1	3	4	1	3	4
Total number of employees who took parental leave	1	2	3	0	3	3
Total number of employees who returned to work during the reporting period after taking parental leave	1	2	3	0	3	3
Total number of employees who returned to work after taking parental leave and who are still employees of the organization within 12 months of returning	1	3	4	0	3	3

### GRI 401-3 Return-to-work Rate

N° of employees	2020			2021		
	Men	Women	Total	Men	Women	Total
Total number of employees who should have returned to work after parental leave	1	3	4	1	3	4
Return to work rate	1	0,67	0,75	0	1	0.75

### GRI 401-3 Retention Rate

	2020			2021		
	Men	Women	Total	Men	Women	Total
Retention rate	1	1,5	1,33	-	1	1



### GRI 404-3 Total percentage of employees by gender and profession who have received a periodic assessment of performance and of professional development

N° of employees	2020					
	Men		Women		Total	
	Assessed	%	Assessed	%	Assessed	%
Directors	7	100,00%	1	100,00%	5	100,00%
Managers	5	100,00%	6	75,00%	11	84,62%
Employees	-	-	-	-	-	-
<b>Total</b>	<b>12</b>	<b>60,00%</b>	<b>7</b>	<b>21,21%</b>	<b>19</b>	<b>35,85%</b>

N° of employees	2021					
	Men		Women		Total	
	Assessed	%	Assessed	%	Assessed	%
Directors	7	100,00%	1	100,00%	8	100,00%
Managers	4	80,00%	6	85,71%	10	85,33%
Employees	-	0,00%	4	19,05%	4	13,33%
<b>Total</b>	<b>11</b>	<b>52,38%</b>	<b>11</b>	<b>37,93%</b>	<b>22</b>	<b>44,00%</b>

### GRI 405-1 Employees by profession, gender and age group

N° of employees	2020				2021			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
Director	-	7	1	<b>8</b>	-	3	5	<b>8</b>
Men	-	6	1	<b>7</b>	-	2	5	<b>7</b>
Women	-	1	-	<b>1</b>	-	1	-	<b>1</b>
Manager	-	11	2	<b>13</b>	-	9	3	<b>12</b>
Men	-	5	-	<b>5</b>	-	5	-	<b>5</b>
Women	-	6	2	<b>8</b>	-	4	3	<b>7</b>
Employee	8	21	3	<b>32</b>	4	23	3	<b>30</b>
Men	3	5	-	<b>8</b>	-	9	-	<b>9</b>
Women	5	16	3	<b>24</b>	4	14	3	<b>21</b>
<b>Total</b>	<b>8</b>	<b>39</b>	<b>6</b>	<b>53</b>	<b>4</b>	<b>35</b>	<b>11</b>	<b>50</b>
<b>Men</b>	<b>3</b>	<b>16</b>	<b>1</b>	<b>20</b>	<b>-</b>	<b>16</b>	<b>5</b>	<b>21</b>
<b>Women</b>	<b>5</b>	<b>23</b>	<b>5</b>	<b>33</b>	<b>4</b>	<b>19</b>	<b>6</b>	<b>29</b>

### GRI 405-1 Percentage of employees by profession, gender and age group

%	2020				2021			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
<i>Director</i>	0%	14%	2%	<b>16%</b>	0%	6%	10%	<b>16%</b>
Men	0%	12%	2%	<b>14%</b>	0%	4%	10%	<b>14%</b>
Women	0%	2%	0%	<b>2%</b>	0%	2%	0%	<b>2%</b>
<i>Manager</i>	0%	22%	4%	<b>25%</b>	0%	18%	6%	<b>24%</b>
Men	0%	10%	0%	<b>10%</b>	0%	10%	0%	<b>10%</b>
Women	0%	12%	4%	<b>16%</b>	0%	8%	6%	<b>14%</b>
<i>Employee</i>	16%	41%	6%	<b>63%</b>	8%	45%	6%	<b>59%</b>
Men	6%	10%	0%	<b>16%</b>	0%	18%	0%	<b>18%</b>
Women	10%	31%	6%	<b>47%</b>	8%	27%	6%	<b>41%</b>
<b>Total</b>	<b>16%</b>	<b>76%</b>	<b>12%</b>	<b>104%</b>	<b>8%</b>	<b>69%</b>	<b>22%</b>	<b>98%</b>
<b>Men</b>	<b>6%</b>	<b>31%</b>	<b>2%</b>	<b>39%</b>	<b>0%</b>	<b>31%</b>	<b>10%</b>	<b>41%</b>
<b>Women</b>	<b>10%</b>	<b>45%</b>	<b>10%</b>	<b>65%</b>	<b>8%</b>	<b>37%</b>	<b>12%</b>	<b>57%</b>

### GRI 405-1 Diversity in governing bodies by gender and age groups

N° of employees	2020					
	Men		Women		Total	
	N°	%	N°	%	N°	%
< 30	-	0	-	0	-	0
30-50	1	0,125	-	0	1	0,125
> 50	7	0,875	-	0	7	0,875
<b>Total</b>	<b>8</b>	<b>1</b>	<b>-</b>	<b>0</b>	<b>8</b>	<b>1</b>

N° of employees	2021					
	Men		Women		Total	
	N°	%	N°	%	N°	%
< 30	-	0	-	0	-	0
30-50	1	0,125	-	0	1	0,125
> 50	7	0,875	-	0	7	0,875
<b>Total</b>	<b>8</b>	<b>1</b>	<b>-</b>	<b>0</b>	<b>8</b>	<b>1</b>

### GRI 405-1 Employees belonging to protected categories

N° of employee	2020			2021		
	Men	Women	Total	Men	Women	Total
Directors	-	-	-	-	-	-
Managers	-	-	-	-	1	-
Employee	-	1	1	-	2	2
<b>Total</b>	-	<b>1</b>	<b>1</b>	-	<b>3</b>	<b>3</b>

### GRI 403-9 number of occupational accidents

Number of accidents	2020	2021
N° of deaths due to occupational accidents	-	-
N° of occupational accidents with serious consequences (excluding death)	-	-
N° of adjustable occupational accidents	1	-

### GRI 403-9 occupational accidents rate

Accidents rate	2020	2021
Death rates following occupational accidents	-	-
Rates of occupational accidents with serious consequences (excluding death)	-	-
Adjustable rates of occupational accidents	2,16	-
Hours worked	92.405	88.703

### GRI 404-1 Average hours of training per capita by profession and gender

Training hours	2020								
	Men			Women			Total		
	hours	N° empl.	Average hrs	hours	N° empl.	Average hrs	hours	N° empl.	Average hrs
Director	63	7	9,00	9	1	9,00	72	8	9,00
Manager	73	6	12,17	94	8	11,75	167	14	11,93
Employee	120	8	15,00	320	21	15,24	440	29	15,17
<b>Total</b>	<b>256</b>	<b>20</b>	<b>12,19</b>	<b>423</b>	<b>33</b>	<b>14,10</b>	<b>679</b>	<b>53</b>	<b>13,31</b>



Training hours	2021								
	Men			Women			Total		
	hours	N° empl.	Average hrs	hours	N° empl.	Average hrs	hours	N° empl.	Average hrs
Director	60	7	8,57	14	1	14,00	74	8	9,29
Manager	70	5	14,00	98	7	14,00	168	12	14,00
Employee	126	9	14,00	298	21	14,17	424	30	14,13
Interns	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>235</b>	<b>20</b>	<b>12,19</b>	<b>410</b>	<b>29</b>	<b>14,14</b>	<b>666</b>	<b>50</b>	<b>13,32</b>

GRI 412-2 Training on policies or procedures concerning human rights relevant to activities

N° training hours	2020			2021		
	N°	Total employees	%	N°	Total employees	%
	<b>6</b>			<b>6</b>		
Trained employees	<b>50</b>	53	94%	<b>47</b>	50	94%

GRI 205-2 Total number and percentage of members of the governing body to whom the anti-corruption policies and procedures of the organization have been communicated to

N. members of the governing bodies	2020			2021		
	N°	Total members	%	N°	Total members	%
Directors/ Executive	<b>7</b>	<b>8</b>	88%	<b>7</b>	<b>8</b>	88%

GRI 205-2 Total number and percentage of employees who received anti-corruption training, by profession and region

Number of employees	2020			2021		
	N°	Total employees	%	N°	Total employees	%
Director	7	8	88%	7	8	88%
Manager	14	13	100%	11	12	92%
Employee	29	32	100%	29	30	97%
<b>Total</b>	<b>50</b>	<b>53</b>	<b>98%</b>	<b>49</b>	<b>51</b>	<b>94%</b>

### GRI 302-1 Total energy consumption within the organization

Energy	Unit of measurement	2020	2021
Total energy consumption within the organization	GJ	235	258
Renewable energy	GJ	42	67
% Renewable energy on total energy consumption	%	18%	26%



*CX Rome - Rome, Italy - via di Passolombardo*

# GRI indicator table

GRI Standard	information	pg	Omission
<b>GRI 102 – General Information (2016)</b>			
<i>Organization Profile</i>			
102-1	Name of the organization	7	
102-2	Activities, brands, products and services	7-9 ; 24-29	
102-3	Place of head office	63	
102-4	Place of business	7-10	
102-5	Ownership and legal form	7	
102-6	Markets addressed	7	
102-7	Size of the organization	6-7	
102-8	Information about employees and other workers	32; 33-34 ; 41-47	
102-10	Significant changes to the organization and its supply chain	40	
102-11	Precautionary principle	20	
102-12	External initiatives	13	
102-13	Membership of associations	13	
<i>Strategy</i>			
102-14	Statement by senior executive	4	
<i>Ethics and Integrity</i>			



GRI Standard	Information	pg	Omission
102-16	Values, principles, standards and code of conduct	7-8 ; 20-21	
<i>Governance</i>			
102-18	Governance structure	18-20	
<i>Shareholders' engagement</i>			
102-40	Shareholder's list	13-14	
102-41	Agreements on collective bargaining	32 ; 42	
102-42	Identification and selection of shareholders	13-14	
102-43	How to involve shareholders	13-14	
102-44	Key issues and concerns raised	13-14	
<i>Reporting practices</i>			
102-45	Entities included in consolidated financial statements	40	
102-46	Definition of the content of the report and perimeters of the topics	13-14	
102-47	List of material topics	13-15	
102-48	Reviewing of the information	During 2021 there were no revisions related to reporting	
102-49	Changes in the reporting	During 2021 there were no revisions related to reporting	
102-50	Reporting period	40	
102-51	Most recent report	40	

GRI Standard	Information	pg	Omission
102-52	Periodicity of reporting	40	
102-53	Contacts to request information about the report	40	
102-54	Statement on reporting in accordance with GRI Standards	40	
102-55	Index of the contents GRI	50-62	
<b>TOPIC-SPECIFIC STANDARDS</b>			
<b>GRI 200 – ECONOMIC SERIES (2016)</b>			
<i>Topic: Anti-corruption</i>			
GRI-103: management procedures (2016)			
103-1	Explanation of the material topics and its perimeter	14-15 ; 33-34	
103-2	The management framework and its components	33-34; 47	
103-3	Assessment of the management framework	47	
GRI 205: Anti-corruption (2016)			
205-3	Verified corruption incidents and actions taken	No cases of corruption detected during 2021	
<i>Topic: Anti-competitive behavior</i>			
GRI-103: Management framework (2016)			
103-1	Explanation of the material topics and its perimeter	14-15 ; 33-34	
103-2	The management framework and its components	33-34 ; 47	

GRI Standard	Information	pg	Omission
103-3	Assessment of the management framework	47	
<b>GRI 206: Anti-competitive behavior (2016)</b>			
206-1	Legal actions for anti-competitive behavior, antitrust and monopolistic practices	Over the year 2021 no legal actions for anti-competitive behavior, antitrust and monopolistic practices have been recorded	
<b>300 – ENVIRONMENTAL SERIES (2016)</b>			
<i>Topic: Energy</i>			
<b>GRI-103: Management framework (2016)</b>			
103-1	Explanation of the material topics and its perimeter	14-15 ; 36-39	
103-2	The management framework and its components	38-39	
103-3	Assessment of the management framework	38-39	
<b>GRI 302: Energy (2016)</b>			
302-1	Energy consumed within the organization	38 ; 48	
<i>Topic: Emissions</i>			
<b>GRI-103: Management framework (2016)</b>			
103-1	Explanation of the material topics and its perimeter	14-15 ; 39	
103-2	The management framework and its components	39	

GRI Standard	Information	pg	Omission
103-3	Assessment of the management framework	39	
<b>GRI 305: Emissions (2016)</b>			
305-1	GHG direct emissions (Scope 1)	39	
305-2	Indirect GHG emissions from energy consumption (Scope 2)	39	
<i>Topic: Environmental Compliance</i>			
<b>GRI-103: : Management framework (2016)</b>			
103-1	Explanation of the material topics and its perimeter	14 ; 16; 22-23	
103-2	The management framework and its components	22-23	
103-3	Assessment of the management framework	22-23	
<b>GRI 307: Environmental Compliance (2016)</b>			
307-1	Non-compliance with environmental laws and regulations	Over the year 2021 no fines or non-monetary sanctions were recorded for non-compliance with environmental laws and regulations	
<b>400 – SOCIAL SERIES (2016)</b>			
<i>Topic: Occupation</i>			
<b>GRI-103: Management framework (2016)</b>			
103-1	Explanation of the material topics and its perimeter	14-15; 32-34	



GRI Standard	Information	pg	Omission
103-2	The management framework and its components	33-34	
103-3	Assessment of the management framework	33-34	
GRI 401: Occupation (2016)			
401-1	Recruiting rate	42	
<i>Topic: Occupational Health and Safety</i>			
GRI-103: Management framework (2016)			
103-1	Explanation of the material topics and its perimeter	14-15 ; 35	
103-2	The management framework and its components	35	
103-3	Assessment of the management framework	35	
GRI 403: Occupational Health and Safety (2018)			
403-1	Occupational Health and Safety Management System	35	
403-2	Hazard identification, risk assessment and accident investigation	35	
403-3	Occupational health services	35	
403-4	Employees' participation and consultation on occupational health and open communication on the regard	35	
403-5	Employees' training on occupational health and safety	35	
403-6	Promoting the employees' health	35	

GRI Standard	Information	pg	Omission
403-7	Prevention and mitigation of occupational health and safety impacts in trade relations	35	
403-9	Occupational accidents	46	
<i>Topic: Training</i>			
GRI-103: Management framework (2016)			
103-1	Explanation of the material topics and its perimeter	14-15; 33-34	
103-2	The management framework and its components	33-34	
103-3	Assessment of the management framework	33-34	
GRI 404: Training (2016)			
404-1	Average annual training hours per employee	46	
404-3	Percentage of employees receiving regular performance and career development assessments	44	
<i>Topic: Diversity and Equality</i>			
GRI-103: Management framework (2016)			
103-1	Explanation of the material topics and its perimeter	14-15 ; 33	
103-2	The management framework and its components	33	
103-3	Assessment of the management framework	33	
GRI 405: Diversity and Equality (2016)			

GRI Standard	Information	pg	Omission
405-1	Diversity in government bodies and among employees	45	
<i>Topic: Non-discrimination</i>			
GRI-103: Management framework (2016)			
103-1	Explanation of the material topics and its perimeter	14-15; 33	
103-2	The management framework and its components	33	
103-3	Assessment of the management framework	33	
GRI 406: Non-discrimination (2016)			
406-1	Discrimination episodes and corrective actions taken	Over the year 2021 there have been no incidents of discrimination	
<i>Topic: Social-Economic Compliance</i>			
GRI-103: Management framework (2016)			
103-1	Explanation of the material topics and its perimeter	14.15; 22-23	
103-2	The management framework and its components	22-23	
103-3	Assessment of the management framework	22-23	
GRI 419: Social-Economic Compliance (2016)			
419-1	Non-compliance with social and economic laws and regulations	Over the year 2021 there were no cases of non-	

GRI Standard	Information	pg	Omission
		compliance with laws and regulations on social and economic matters	
<i>Topic: Governance and Economic Performance</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	15-16; 18-20	
103-2	The management framework and its components	18-20	
103-3	Assessment of the management framework	18-20	
<i>Topic: Brand Identity</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	7-9; 13-16	
103-2	The management framework and its components	7-9; 13-16	
103-3	Assessment of the management framework	7-9; 13-16	
<i>Topic: Emergency Management, and Recovery</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	13-16	
103-2	The management framework and its components	13-16	
103-3	Assessment of the management framework	13-16	

GRI Standard	Information	pg	Omission
<i>Topic: Tenant engagement and satisfaction</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	14-15; 7; 30	
103-2	The management framework and its components	7; 30	
103-3	Assessment of the management framework	7; 30	
<i>Topic: Technologic innovation and Cybersecurity</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	13-16	
103-2	The management framework and its components	13-16	
103-3	Assessment of the management framework	13-16	
<i>Topic: Welfare</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	13-16	
103-2	The management framework and its components	13-16	
103-3	Assessment of the management framework	13-16	
<i>Topic: Senior Living</i>			
GRI-103: Management framework			



GRI Standard	Information	pg	Omission
103-1	Explanation of the material topics and its perimeter	13-16; 27-28	
103-2	The management framework and its components	13-16; 27-28	
103-3	Assessment of the management framework	13-16; 27-28	
<i>Topic: Health Care</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	13-16; 29	
103-2	The management framework and its components	13-16; 29	
103-3	Assessment of the management framework	13-16; 29	
<i>Topic: Social Housing</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	13-16; 24-25	
103-2	The management framework and its components	13-16; 24-25	
103-3	Assessment of the management framework	13-16; 24-25	
<i>Topic: University Student residence</i>			
GRI-103: Management framework			

GRI Standard	Information	pg	Omission
103-1	Explanation of the material topics and its perimeter	13-16; 25-26	
103-2	The management framework and its components	13-16; 25-26	
103-3	Assessment of the management framework	13-16; 25-26	
<i>Topic: Urban Regeneration</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	13-16; 24-29	
103-2	The management framework and its components	13-16; 24-29	
103-3	Assessment of the management framework	13-16; 24-29	
<i>Topic: Evolved Services</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	13-16; 24-29	
103-2	The management framework and its components	13-16; 24-29	
103-3	Assessment of the management framework	13-16; 24-29	
<i>Topic: Local Community Support</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	13-16; 24-29	

GRI Standard	Information	pg	Omission
103-2	The management framework and its components	13-16; 24-29	
103-3	Assessment of the management framework	13-16; 24-29	
<i>Topic: New Mobility Solutions</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	13-16	
103-2	The management framework and its components	13-16	
103-3	Assessment of the management framework	13-16	
<i>Topic: Waste management, efficient use of resources and water consumption</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	13-16; 37	
103-2	The management framework and its components	13-16; 37	
103-3	Assessment of the management framework	13-16; 37	
<i>Topic: Certifications of the assets in portfolio</i>			
GRI-103: Management framework			
103-1	Explanation of the material topics and its perimeter	13-16	
103-2	The management framework and its components	13-16	

GRI Standard	Information	pg	Omission
103-3	Assessment of the management framework	13-16	

## Table of compromises with GRI standards

Material Topics	GRI Standards	Confine dell'impatto	Tipologia d'impatto
Governance and Economic performance	-	Fabrica SGR	By Fabrica SGR
Compliance and Risk Management	Social-Economic Compliance (419); Anti-corruption (205); Anti-competitive behavior (206)	Fabrica SGR	By Fabrica SGR
Brand Identity	-	Fabrica SGR	By Fabrica SGR
Emergency Management and Recovery	-	Fabrica SGR	By Fabrica SGR
Tenant Engagement and satisfaction	-	Fabrica SGR	By Fabrica SGR and to which Fabrica contributes
Technological Innovation and Cybersecurity	-	Fabrica SGR	By Fabrica SGR
Management and retention of employees	Occupational (401)	Fabrica SGR Employees	By Fabrica SGR
Welfare	Occupational (401); Diversity and Equality (405); Non-discrimination (406)	Fabrica SGR Employees	By Fabrica SGR
Training and Career Development of employees	Training (404)	Fabrica SGR Employees	By Fabrica SGR
Occupational Health and Safety	Occupational Health and Safety (403)	Fabrica SGR Employees	By Fabrica SGR
Senior Living	-	Fabrica SGR	By Fabrica SGR and directly connected through a business relationship
Health Care	-	Fabrica SGR	By Fabrica SGR and directly connected through a business relationship
Social Housing	-	Fabrica SGR	By Fabrica SGR and directly connected through a business relationship
Student Housing	-	Fabrica SGR	By Fabrica SGR and directly connected through a business relationship
Urban Regeneration	-	Fabrica SGR	By Fabrica SGR
Evolved Services	-	Fabrica SGR	By Fabrica SGR
Local Community support	-	Fabrica SGR	By Fabrica SGR
New mobility solutions	-	Fabrica SGR	By Fabrica SGR
Energy consumption and Emissions	Energy (302); Emissions (305)	Fabrica SGR and Energy Suppliers	By Fabrica SGR and directly connected through a business relationship
Certification of the assets in portfolio	-	Fabrica SGR	By Fabrica SGR
Waste management, efficient use of resources and water consumption	-	Fabrica SGR	By Fabrica SGR



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Iscritta al n.65 dell'Albo delle Società di Gestione del Risparmio – Sezione Gestori FIA

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