

Alcedo<sub>sgr</sub>



*Communication on Progress 2022*

*September, 2022*

*We care. Do not print.*

1. *Letter to all stakeholders*
2. *Presentation of Alcedo SGR S.p.A.*
3. *Our support to the Ten Principles of Global Compact*

Dear Ladies, dear Sirs,

on 28 September 2021 Alcedo SGR S.p.A. ("Alcedo") officially joined the "Global Compact" initiative promoted by the United Nations.

The Global Compact is defined as "the largest strategic corporate citizenship initiative in the world", and stems from the desire to promote a sustainable global economy: respectful of human and labor rights, environmental protection and struggle to corruption.

Adherence to this initiative takes place on a voluntary basis and involves the commitment to promote, each in their own area of operation, the search for sustainable development in the long term, through political actions, corporate practices, responsible social and civil behavior, respectful of environment and designed to protect the global heritage to be transferred to future generations.

By participating in the Global Compact, Alcedo has therefore formally undertaken the commitment to support the initiative by adopting, as part of its activities and sphere of influence, actions, behaviors and practices in line with the Ten inspiring Principles, with regard to human rights, labor standards, environmental protection and fight against corruption.

This was a choice totally in line with the behaviors that Alcedo has always adopted in its field of operations, thereby supporting the spontaneous sensitivity towards this type of matters shared by all members of its Team.

By joining, we have also undertaken the commitment to communicate, to all stakeholders, the actions we have taken to continuously improve the integration of the Principles of the Global Compact in our corporate culture, in our action as responsible investors and in our daily operations.

The following communication is therefore intended to be an introduction to the responsible practices adopted by Alcedo, which will be increasingly strengthened and integrated with the aim of making our Team a champion of sustainability.

Thank you for your attention.

Michele Gallo

Managing Partner



Based in Treviso, Alcedo is one of the leading players in Private Equity in Italy with a focus on Growth Buyout investments.

Alcedo specializes in the management of Closed-End, Reserved Alternative Investment Funds. The investors' base of Alcedo includes primary Italian and foreign institutional investors (Funds of Funds, Pension Funds, Banks, Insurances), private companies, family offices and high net worth individuals.

Alcedo's investment strategy is mainly focused on small and medium-sized companies with strong growth potentials



### *Unique approach to Growth Buyout*

Alcedo works to help the growth of the companies in which it invests using a flexible and proactive approach by acquiring the right strategic control tools



### *We invest in Italian SMEs*

Alcedo does search for excellent companies that have distinctive features and high growth potential



### *strategic partners for entrepreneurs and manager*

Alcedo not only does bring capital but it also works as operational partners contributing to the growth of the business



### *Consistent investment strategy and solid track record*

The Alcedo Team has been working together for 30 years with the same stable and consistent investment strategy and a proven and sound track record

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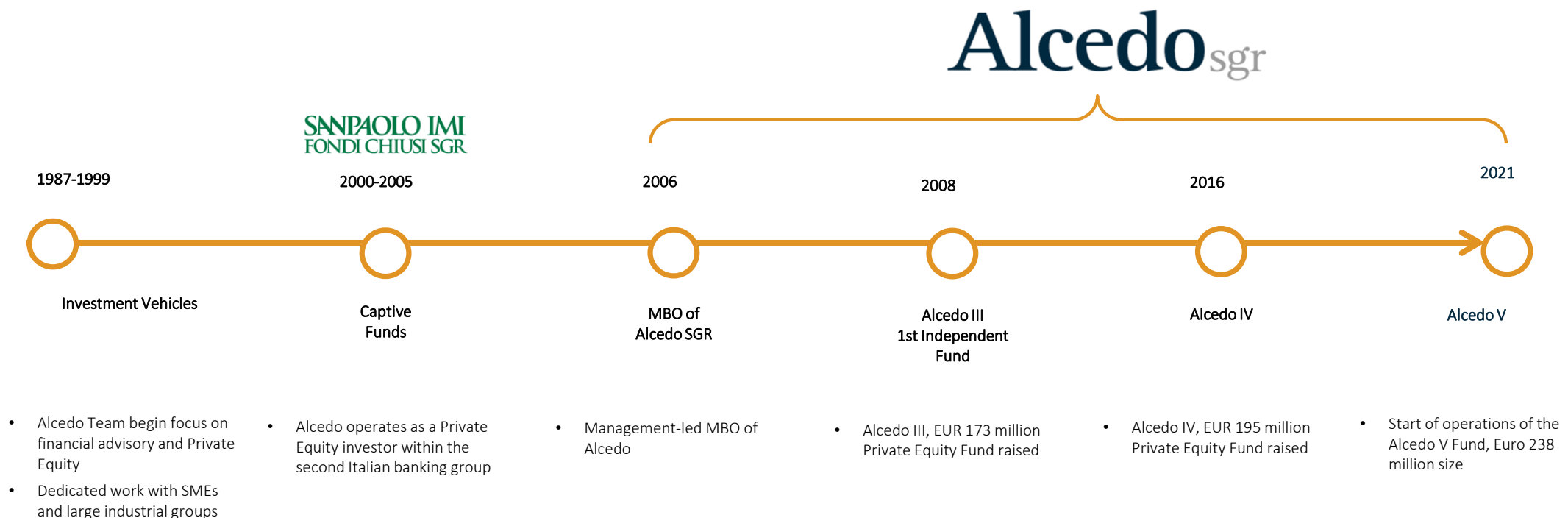
## ALCEDO SGR – Our History

The Alcedo Team started operating in the mid-80s leveraging on the extensive experience its Founding Partners had previously acquired inside industrial groups, M&A structures and Italian and international advisory firms.

Initially the Team provided assistance and advice in financial transactions, for both SMEs and large industrial groups. Soon after the advisory activity was then enhanced with the direct investment activity (Private Equity), by means of the management of investment vehicles and, subsequently, Investment Funds.

The main focus of the Alcedo Team has always been to provide Italian SMEs assistance and support in their development plans since '80s.

Since 2006, the Team has become fully independent further to the Alcedo SGR management buy-out.



## ALCEDO SGR – Our Vision

Alcedo adopts a unique approach to Growth Capital: the aim is to support them and boost their medium-long term growth and development, which could also involve the strategic repositioning.

Alcedo invests in Italian excellence, companies with sound fundamentals, high growth potentials and distinctive features in their reference markets, in order to growth its value, supporting development for either internal or external lines, always taking a flexible and proactive approach that is fundamental to reconcile the various needs of the invested companies and all other stakeholders.



## ALCEDO SGR – Our Team

Alcedo boasts a stable, experienced and cohesive investment team with highly complementary skills.

Alcedo has a tradition of nurturing the talent of team resources, thus strengthening their stability and forging a distinctive corporate identity.

The team is characterized by a dynamic and proactive approach where the highest values are promoted such as trust, transparency and sharing of opinions.

In addition, the Alcedo team also supports the growth and development process of its portfolio companies by leveraging on the vast network of first-rate managers.





## *ALCEDO SGR – ESG Commitment*

Growth and sustainability are distinctive features for Alcedo, whose development strategy is based on the conviction that fairness of conduct and profitability must not represent two conflicting objectives. This is because long-term economic development cannot be separated from social and environmental changes.

Responsible, right and transparent conduct increases and protects reputation, credibility and harmony over time, prerequisites for the sustainable development of an activity aimed at creating and protecting value for all stakeholders. In line with this commitment, Alcedo contributes to the promotion of the universal principles of the Global Compact and to the implementation of the Sustainable Development Goals (SDGs) set out in the United Nations 2030 Agenda, supporting and encouraging prospects for growth and of sustainable development on a global level.

On 3 June 2021, Alcedo set up an "ESG Management" Committee, with functions of monitoring the ESG Strategy, supervising social responsibility and responsible investment activities, chaired by the Managing Partner Michele Gallo. Subsequently, in March 2022, the ESG function was established with its own manager, Dr. Marta Scarparo, whom the Board of Directors of the Company appointed "Head of ESG".

Finally, in March 2022 the Board of Directors approved the updated ESG Policy, supplemented with additional specifications in relation to the stewardship activity of portfolio companies.



### ESG Management Committee

Michele Gallo – CEO e Partner  
 Filippo Nalon – Partner  
 Marta Scarparo – Investor Relations & ESG Manager  
 Maria Giovanna Morando – Amministrazione e Controllo  
 Francesca Gajo – Financial Information & Valuations Senior Analyst  
 Gioia Ronchin – Investment Manager

- Team uncharged to ESG Strategy Design/Review and Roadmap Monitoring).
- Supervision of the proper conduct of responsible investment activities (assessment, monitoring, stewardship)
- Alignment of the organization with the principles of responsible investment and international guidelines on sustainable finance



### Head of ESG

Marta Scarparo – Investor Relations & ESG Manager

- Responsible for implementing the ESG strategy and aligning it with best practice and regulations
- Verification of the correct execution of the entire responsible investment process
- Supervision and communication with stakeholders and reporting



### ESG Representative

Filippo Nalon – Partner

- Responsible within the investment team for the execution of the responsible investment process at each stage
- Coordination of stewardship activities with ESG managers of investees



### ESG Responsible

Appointed within each investee company

- Internal manager of the investee companies for the management of ESG issues
- Coordination of stewardship activities with the ESG representative of the Fund

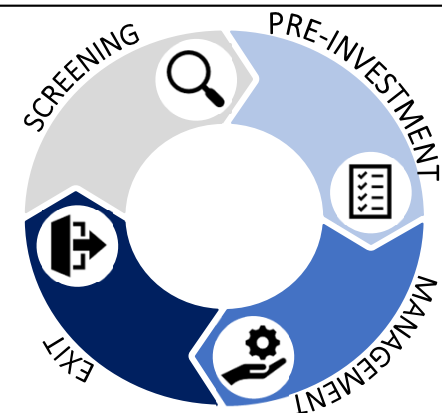
## ALCEDO SGR – the responsible investment approach and the ESG strategy

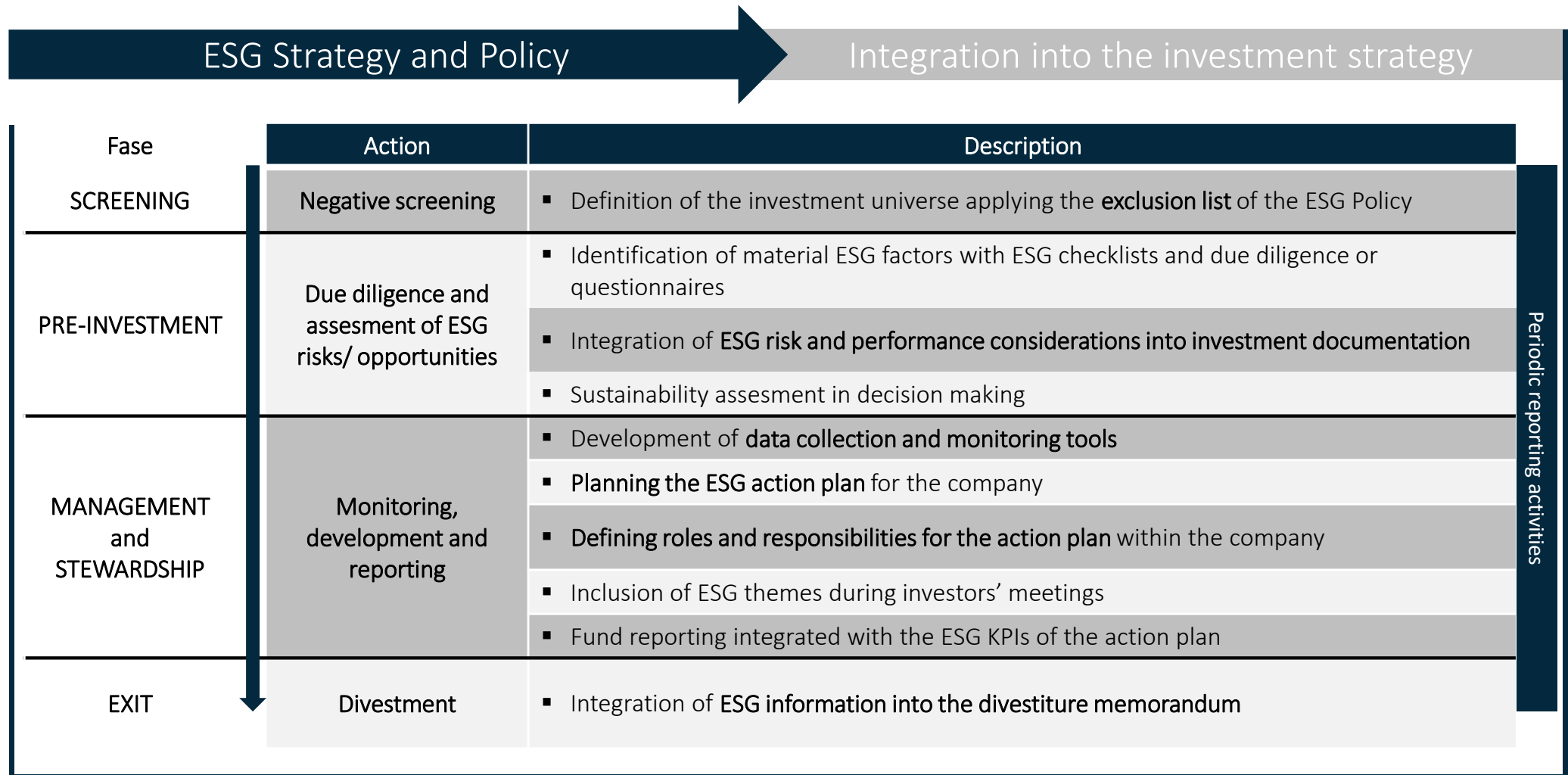
Alcedo is aware that the creation of sustainable value in the long term is linked to the proper management of ESG issues. Therefore, the SGR undertakes to apply the principles of responsible investment by adopting an ESG Policy, adhering to the Responsible Investment Principles (PRI) and thus integrating ESG factors into the investment process.

### KEY ELEMENTS OF THE ESG STRATEGY

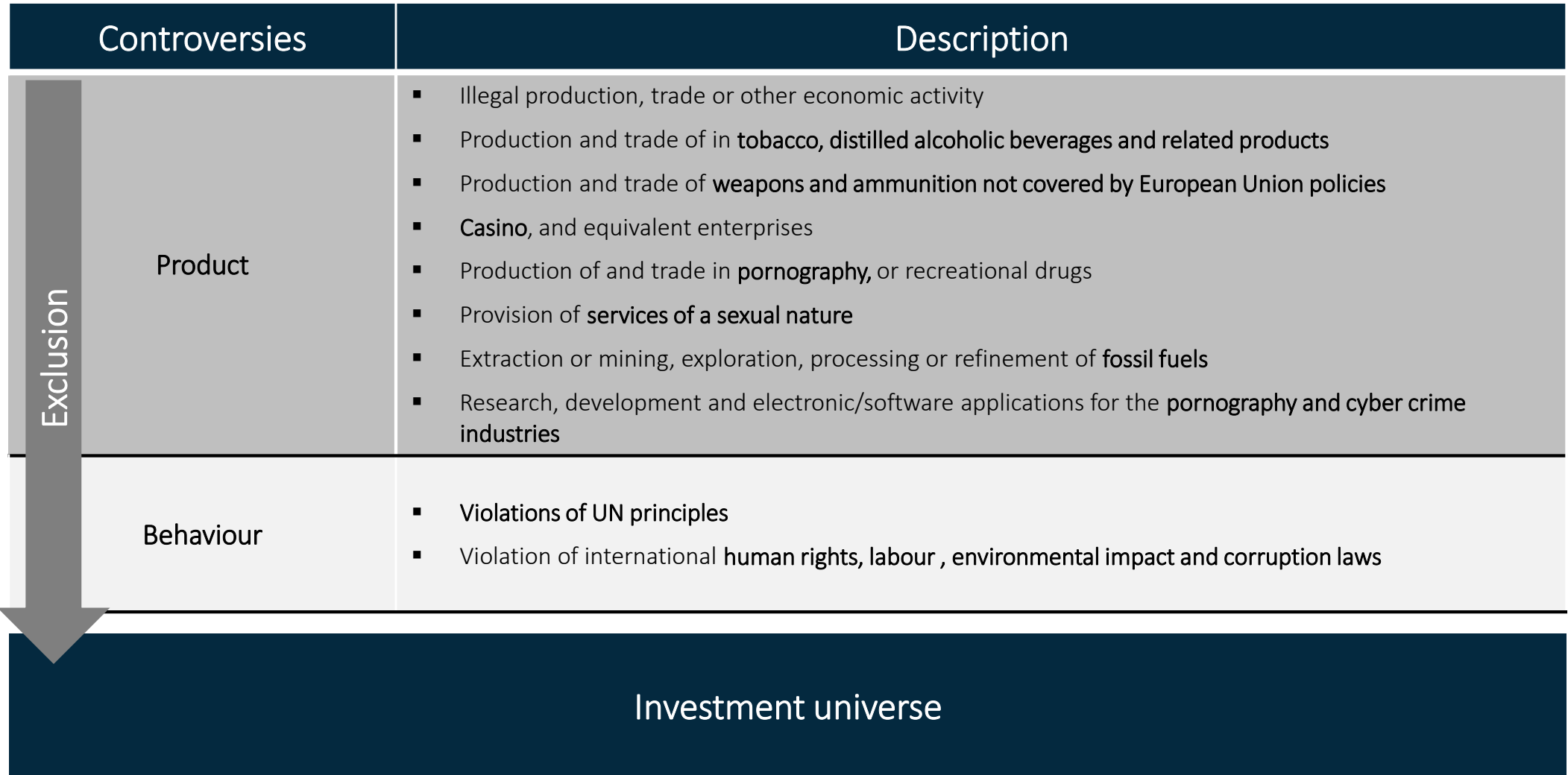
- Monitoring the **compliance** of investees with environmental laws and regulations
- Optimizing** waste management by improving recycling/reuse capacities
- Reducing CO2 emissions** through energy efficiency projects
- Ensuring working environments free from all forms of **discrimination and abuse**
- Promoting **equality** and upholding the principles of **diversity**
- Ensuring **health and safety** at work
- Generating a positive impact on **local communities**
- Adoption of an **ESG Policy** and a **responsible investment procedure**
- Adherence to **UN PRI**
- Establishment of an **ESG governance**
- Ensure the management of ESG risks within **the subsidiaries** and promote best practice for corporate governance
- Planning of **stewardship** activities towards investee companies and definition of improvement/correction plans
- Reporting and periodic disclosure** on SGR progress and stewardship activities

- Revised investment process to correctly track **ESG risks and opportunities**, considering **sectoral materialities**, during the decision-making phase (screening and pre-investment)
- Monitoring** of these factors during the investment management phase and **stewardship** activity planning
- Reporting and periodic communication** to investors and other stakeholders
- Disinvestment documentation** integrated with **ESG progress and performance** of the investment during the entire management period (exit)





## ALCEDO SGR – the exclusion list of the ESG Policy



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## *Communication on Progress 2022*

On 28 September 2021, Alcedo SGR S.p.a. officially joined the "UN Global Compact" initiative. By participating in the Global Compact, the Company undertakes the commitment to support the initiative by adopting, as part of its activities and sphere of influence, actions, behaviours and practices in line with the ten principles relating to human rights, labour standards, environmental protection and the fight against corruption.

These are universally shared principles derived from the Universal Declaration of Human Rights, the ILO Declaration, the Rio Declaration and the United Nations Convention against Corruption.

We recognize that a fundamental requirement for participation in the Global Compact is the annual presentation of a Communication on Progress (COP) that describes Alcedo's commitment in implementing the Ten Principles. To promote this, we are committed to upholding the principles of the United Nations Global Compact by reporting on our progress annually consistent with the policy of the United Nations Global Compact COP.

In this year's Communication on Progress, we report our actions aimed at the continuous improvement in integrating the Global Compact and its Ten Principles in our company's strategy, culture and daily operations. We are also committed to sharing this information with our stakeholders on our website.

## Human Rights Principles

### *Principle I*

*Businesses should support and respect the protection of internationally proclaimed human rights.*

### *Principle II*

*Businesses should make sure that they are not complicit in human rights abuses.*



In a company like that of Alcedo, human resources are fundamental: they represent the primary capital available, and they are therefore the first consideration for the protection of human rights.

Alcedo firmly believes in the respect of universally recognized fundamental human rights and openly declares that it does not tolerate any form of abuse, promoting development of human capital based on meritocratic criteria, in which there is no space for gender or other discrimination, neither in the selection phase, nor during the internal development path within a team.

The Company complies with all the rules on human and workers' rights, and is strongly committed to expecting the same behaviour from all those who work for the Company in line with its policies, practices and processes that ensure consistency in company values and objectives, to promote and strengthen common values and culture.

In this regard, in July 2022, the Company's Board of Directors formalized the adoption of a Code of Ethics that represents social and moral rules, which Alcedo has always been inspired by, which all employees and collaborators must abide by. Alcedo is rigorous and is committed, to this end, to spreading an ethical management model, based on respect, implementation and dissemination of the rules to safeguard human rights, workers' rights, the rule of law and the environment. The Company invests in social responsibility development policies, asking all employees and collaborators to make the highest commitment to carry out all established procedures and practices to comply with national and international legislation on labour and human rights.

In Alcedo, any intrusive, offensive and intentional misbehaviour related to gender, political, ethnicity, religious or social conduct is prohibited and condemned with extreme severity.



## Human Rights Principles

### COMPANY ORGANISATION AND INTERNAL POLICIES

Alcedo acts in accordance with current legislation through the application of the National Collective Labour Agreement for the sector (Tertiary), registration with Social Security Bodies and the protection of health and safety in the workplace. Attention is constantly paid to the protection of the privacy of the individual with a clear definition and communication of the names of the persons in charge of data processing. Upon hiring, each employee receives adequate and timely information about:

- the characteristics of the function and the tasks to be performed;
- the regulatory and remuneration elements, as regulated by the national collective bargaining agreement;
- the rules and procedures to be adopted in order to avoid possible health risks associated with the work activity.

Due to the type of activity carried out, Alcedo is subject to a "Low" security risk. In any case, each employee is required to follow periodic training courses regarding health and safety in the workplace. In line with the strict regulations on the subject, the following figures have been established:

- the Head of the Protection and Prevention Service (Responsabile del Servizio Protezione e Prevenzione or "RSPP"), required to update the Risk Assessment Document;
- the Company Doctor, responsible for health surveillance;
- the person in charge of checking the fire-fighting equipment;
- those in charge of first aid and fire, who follow specific training courses.

The management of Alcedo, in this regard, is particularly considerate to the requests of staff regarding the provision of suitable tools to effectively carry out professional activity and ensures that they are met promptly.

Alcedo is fully aware of the importance, in addition to regulatory compliance, of the privileged treatment of employees and, by virtue of this principle, certain measures have been in place for some time to increase cohesion and promote a peaceful corporate climate:

- annual individual interviews;
- weekly staff meetings;
- availability of a breakout area;
- annual social excursion/event.

In addition, to ensure non-discrimination in the workplace, certain tools are provided and encouraged to facilitate a balance between family and work life, such as Smart Working and flexible hours.

Alcedo does not engage suppliers who operate in disregard of universally recognized fundamental human rights. To this end, to ensure that in its sphere of competence there are no violations of human rights even externally, the Company requires its suppliers and collaborators to take note of the Code of Ethics, including a termination clause in new contracts in the event of non-compliance with the principles promoted and adopted by Alcedo.

## Human Rights Principles

### THE COMPANY IMPLEMENTATION (1/2)

The dissemination and knowledge of policies, tools, trends and evolution of reporting methodologies are just some of the main themes, useful to effectively implement initiatives to boost and protect corporate legacy, to integrate the principles of sustainable development and to implement sustainability-oriented projects, from an ESG perspective.

In particular, Alcedo undertakes to monitor that employees have constant access to information about their employment relationship through:

- control and updating of the national collective bargaining agreement for the sector following the renewal of the law;
- timely control and updating of the legislation for the protection of workers;
- sending the payslip by email.

In addition, the Company periodically checks and monitors health and safety in the workplace, through observing deadlines and contact with the competent managers.

The establishment of good interpersonal relationships between employees and collaborators and the spread of a peaceful atmosphere within the SGR are achieved through specific actions consolidated over time: at the headquarters there is a special breakout area equipped with appliances and compostable tableware allowing employees to eat full meals.

Other measures adopted to foster well-being in the workplace are represented by the individual annual interviews between Management and employees, established to evaluate the activity carried out during the year, open a dialogue on the degree of satisfaction of each employee and establish objectives of growth/improvement.

To retain employees and increase the level of satisfaction of resources, employees, as part of their duties and responsibilities, are constantly involved in conversations to integrate their requests into the strategy company: to this end, follow-up meetings are organized weekly on the progress of the activities in place, which allow for updates on the progress of operations and alignment between Management and staff, but also represent a moment sharing of successes and team management of any critical issues.

## Human Rights Principles

### THE COMPANY IMPLEMENTATION (2/2)

Moreover, to further encourage a harmonious corporate climate, Alcedo organizes a regular one-day socio-cultural event for all employees and collaborators of Alcedo and their respective families.

During the reporting period, the persistence of the state of emergency from Covid-19 led to the extension of all the actions taken from 2020 to address the situation. Specifically, measures dedicated to the protection of the health and safety of workers were maintained, as established by law: Smart Working, purchase of material and sanitary devices for disinfection and personal protection, information on the prevention procedures from contagion in every area of the office.

Lastly, Alcedo has always supported Advar, a non-profit organization that operates in the municipalities of Marca Trevigiana, offering both hospice and home care services for the terminally ill, in order to guarantee dignity and quality of life to the terminally ill until the final moment.

### MEASUREMENT OF IMPACTS

Indicators	Measurement
Investments made for equipment and devices in the area of Health & Safety	Euro 620
Investments for workstations	Euro 35,000
% of local suppliers	48%
Donations 2021 for the protection of human rights	Euro 15.000

### OBJECTIVES

For the year 2023 we are committed to support associations in favour of the protection of human rights through donations or solidarity purchases.

## Labour Principles

### *Principle III*

*Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining*

### *Principle IV*

*Businesses should uphold the elimination of all forms of forced and compulsory labour*

### *Principle V*

*Businesses should uphold the effective abolition of child labour*

### *Principle VI*

*Businesses should uphold the elimination of discrimination in respect of employment and occupation*



Alcedo promotes a series of initiatives and activities aimed at protecting its staff and reducing discrimination in employment between men and women, as well as promoting a culture of organizational well-being and experimentation with flexible forms of work aimed at work-life balance. With regard to the fundamental rights of the worker, the Company prohibits child labour and any form of discrimination, guarantees its employees a safe and healthy workplace, with suitable prevention and protection devices and adequate services.

To protect against and ensure the elimination of all forms of discrimination, the Company has adopted an Organizational Model pursuant to Legislative Decree 231/2001, making the whistleblowing tool available so that anyone can anonymously report any form of irregularity to an external and autonomous Supervisory Body.

Furthermore, Alcedo, in line with the preventive purposes underlying Legislative Decree 231/01, also supervises the activity carried out by its corporate officers in the corporate bodies of the target companies. In this perspective, the SGR, as part of the investment agreements, promotes the adoption by the target companies of the 231 Model.

Alcedo recognizes the significance/importance of a person and promotes a leadership style that enhances their strategic nature. Compliance with these guarantees and the aforementioned prohibitions is also required of all suppliers of company goods and services, whether they operate in Italy or abroad.

Alcedo has always paid the utmost attention to the issue of safeguarding the health and safety of its workers, constantly engaging in the dispersion of a culture of prevention with the aim of creating a safe and healthy work environment.

## Labour Principles

### COMPANY ORGANISATION AND INTERNAL POLICIES

Human resources are a central element of Alcedo's life, which is committed to respecting and enhancing them on a daily basis.

#### Right to collective bargaining

National collective bargaining is recognized and absolutely respected for all Alcedo employees, the National Collective Labour Agreement for the sector is applied.

#### Forced and child labor

Alcedo rejects and condemns the use of forced labour and child labour and will never use them in the future. Employees and collaborators are all adults with sufficient capacity for decision: these are highly specialized professionals through university education and specific training courses, with foundation for proper conduct of corporate business. Furthermore, Alcedo does not make use of suppliers who use or support child labour and forced labour.

With regard to the fundamental rights of the worker, Alcedo has always paid the utmost attention to the issue of safeguarding the health and safety of its workers, constantly engaging in the dispersion of a culture of prevention with the aim of creating a safe and healthy work environment, with suitable prevention and protection devices and adequate services. Alcedo is committed to preventing, managing and reducing workplace accidents and environmental impacts generated directly through its business.

#### Discrimination

Alcedo does not permit any kind of discrimination based on ethnicity, nationality, age, language, culture, faith and religion, political opinion, gender and sexual orientation, marital status, pregnancy, health, economic and social condition and undertakes to maintain a peaceful working environment.

Alcedo offers equal opportunities and equal treatment to all staff and promotes a culture of organizational well-being and the experimentation of flexible forms of work, paying particular attention to work-family balance.

Recruitments are made based on the person's actual skills and no discrimination is implemented with respect to gender and age.

#### Training

Training is a fundamental tool for developing the skills of employees and ensuring the competitiveness and innovation of Alcedo which always maintains a high level of attention to training activities, both compulsory and optional.

### THE COMPANY IMPLEMENTATION

During the reporting period, to cope with the health emergency and ensure the conduct of work, Alcedo has encouraged the use of Smart Working, providing all necessary equipment and devices. This agile way of working has been granted to all types of workers.

With reference to the freedom of affiliation, it should be noted that none of Alcedo's employees or collaborators adhere to any trade union organization, as the number of employees is less than 15 units.

As for forced and child labour, to guarantee the age of majority of employees and collaborators in the personnel search phase, the age is taken from the signed curriculum vitae, or it is declared during the interview, while in the subsequent recruitment phase it is confirmed from the identification document required for the performance of regular administrative activities.

The following table shows information on the workforce, broken down by gender and type of contract.

Type of contract	F	M
Administrators		3
Permanent employees	7	5
Fixed-term contract employees		
Collaborators	1	
<b>Total</b>	<b>8</b>	<b>8</b>

The data relating to the age of the staff members as at 30 June 2022 are also reported:

Type of contract	<35 years old	>35 years old
Administrators		4
Permanent employees	3	8
Fixed-term contract employees		
Collaborators		1
<b>Total</b>	<b>3</b>	<b>13</b>

## Labour Principles

### MEASUREMENT OF IMPACTS

Activities	Measurement
Percentage of employees covered by national collective bargaining	100%
% of employees and collaborators	60%
% of employees and collaborators under the age of 30	33%

### OBJECTIVES

For the year 2023 we are committed to:

- prepare and update training plans for individual resources;
- guaranteeing days of Smart Working to all types of employees, for a better work-life balance;
- prepare a questionnaire on job perception to be submitted to human resources and share the results.

## Environment Principles

### *Principle VII*

*Businesses should support a precautionary approach to environmental challenges*

### *Principle VIII*

*Businesses should undertake initiatives to promote greater environmental responsibility*

### *Principle IX*

*Businesses should encourage the development and diffusion of environmentally friendly technologies*



Since its establishment, Alcedo has paid great attention to the environment, to the consumption of raw materials, energy and sustainable behaviour.

As specified in the company's Code of Ethics, with the conviction that it is possible to combine profitability objectives with respect for ethical values and the protection of the environment, Alcedo pursues the objective of promoting not only economic but also environmental development of the community in which it operates, investing in energy saving measures, taking into consideration the impact of its business and paying attention to the disposal of waste, the consumption of energy and the emissions caused. The environment is a primary part of this fabric and its protection from potential pollution problems is, and must remain, an important aspect for Alcedo and for anyone who works with it.



## Environment Principles

### THE COMPANY IMPLEMENTATION

The Company's commitment to the environment is maintained daily on multiple fronts. The choice of consumables in the procurement phase is made by always prioritizing the purchase of products with low environmental impact, such as the use of recycled paper for printing all documents and use within the offices of glass water bottles and tableware in alternative to plastic.

With regard energy consumption, turning off PCs and workstations during lunch breaks and at the end of the day has been a consolidated practice for years and the lighting systems are equipped with low-consumption LED lights.

Following significant renovation of the building and internal premises in which the Company resides, a photovoltaic system was installed on the roof and a supply contract for electricity was stipulated with a Life Company actively involved in the issue of environmental sustainability.

A large part of employees and collaborators use sustainable/green means of transport to get to the workplace.

As for water, it is used exclusively for hygienic purposes and for cleaning the premises.

Within the premises, separate waste collection is carried out rigorously: bins for different types of waste are positioned in each office and there is also a container for organic waste.



**MEASUREMENT OF IMPACTS**

Activities	Measurement	
	oct. '21 - sept. '22	oct. '20 - sept. '21
Recycled paper consumption in reams	110	135
Consumption of glass bottles	3.140	3.120

**OBJECTIVES**

For the year 2023 we are committed to:

- promoting environmental culture and actions also through the preparation of a corporate environmental policy;
- intensify socio-ecological corporate initiatives linked to environmental protection.

## Anti-Corruption Principles

### *Principle X*

*Businesses should work against corruption in all its forms, including extortion and bribery*



Alcedo does not tolerate corruption and openly declares its commitment to prevent and combat it, both internally and externally, in the relationship with Investors, suppliers, portfolio companies of the managed funds and all the entities with which it relates to.

Alcedo also undertakes to orient its activities to values of honesty, fairness, transparency and compliance with the law.

The context in which the SGR operates, as a financial intermediary, is characterized by significant and extensive regulation by very detailed sector regulations, as well as being specifically subject to the control of external Supervisory Authorities.

The organization of the SGR and its internal procedures, albeit structured on the basis of sector regulations not directly connected to Legislative Decree 231/01, respond in many ways to the same organizational and procedural needs suggested by the correct implementation of the 231 Model. In this sense, the existence of common principles and purposes clearly emerges, as example, from the provisions contained in the "Regulations on the organization and procedures of intermediaries providing investment or collective asset management services", jointly adopted by the Bank of Italy and Consob provision of 29.10.2007, as subsequently amended.

For the best achievement of these objectives, from July 2022 Alcedo has adopted the Code of Ethics which dictates the criteria of conduct of everyone, internal or external, involved in the company organization.

## Anti-Corruption Principles

### COMPANY ORGANISATION AND INTERNAL POLICIES

The company organization chart of the SGR provides for a hierarchical structure within which the various functions report ultimately to the Board of Directors of the same.

Two Managing Directors are also appointed, to whom the Investment Committee and the Administration and Control and Investor Relation & ESG Functions report directly.

The Control Functions (i.e., the Compliance Function, the Risk Management Function, the Anti-Money Laundering Function, the Internal Audit Function) are placed in a position of autonomy and independence, including hierarchical ones, with respect to the operational structures and the Board of Directors of the SGR and they are entrusted with the duties regarding controls by virtue of the provisions of the relevant applicable laws and regulations.

Since 2004, Alcedo has adopted its own Organization, Management and Control Model pursuant to Legislative Decree 231/2001 ("Model 231" or "Model"), aimed at preventing crimes and administrative offenses theoretically feasible in scope of the SGR's activity. In addition, in application of the provisions of Legislative Decree 231/01, Alcedo has established a Supervisory Body (SB) which is entrusted with the task of supervising the functioning and observance of the Model and updating it. The SB, in particular, carries out analytical and functional activities necessary to keep the Model efficient and operational.

The 231 Model of Alcedo, continuously updated and improved, in the light of the jurisprudential and doctrinal evolution, the regulatory evolution of the Decree and the company organizational changes, has been structured considering its specific company needs, with the aim of regulating the organization of the SGR, in order to guarantee constant implementation of a strategy to contain the potential risk of crime in all company activities. Since Alcedo makes use of the collaboration of external parties, it is considered appropriate to regulate these relationships in order to ensure control, within the limits of what can be implemented by the SGR, on any risks associated with the outsourcing of certain activities. Compliance with the Model by all its recipients is a guarantee of legality within the company and a fundamental tool for preventing conduct potentially at risk of crime or in any case not compliant with the ethical principles that inspire the company.

Furthermore, in application of the Law of 30 November 2017, n. 179 which introduced specific provisions dedicated to the protection of the authors of detailed reports of unlawful conduct relevant pursuant to Legislative Decree 231/01, since March 2018 Alcedo di is equipped with a Whistleblowing Policy, which provides for the activation of a of anonymous reporting of unlawful conduct.

To complete the framework of rules and behavioral and procedural rules that apply within the Company, in July 2022 the Board of Directors of the SGR formalized the adoption of a Code of Ethics, as an integral part of Model 231; this document collects rules and principles, which have always inspired the work of Alcedo, aimed at ensuring that the behavior of the recipients is always guided by criteria of correctness, collaboration, loyalty, transparency and mutual respect.

## Anti-Corruption Principles

### THE COMPANY IMPLEMENTATION

The Alcedo Code of Ethics, adopted in July 2022, defines the moral rights and duties of each party involved in the company organization to prevent irresponsible behavior and safeguard the reliability and reputation of the SGR.

Management and staff - employees and collaborators - are required to examine the Code of Ethics and sign upon reading it. This document is constantly kept available through publication in the company sharing and archiving system and has been published on the Company's website.

To defend its corporate values, Alcedo has been implementing certain specific policies for some time:

- with reference to economic and financial flows, each transaction must be correctly recorded, authorized, traceable, legitimate, consistent and congruous;
- the persons who authorize payments and withdrawals, which are the responsibility of both the SGR and the managed funds, are clearly identified;
- staff are strictly prohibited from giving and accepting sums of money, gifts or favours from public or private third parties, either for the pursuit of the corporate mission or for other interests;
- as a subject supervised by the Bank of Italy and Consob, the SGR is subject to the provisions on administrative and accounting organization issued by the aforementioned Supervisory Authorities, as well as the obligations relating to the sending of the related reports;
- in the context of the procedures manual, with reference to the administrative activity, the criteria which the staff in charge must comply with in the management of accounting and financial operations, both for operations and control, and for archiving, are defined;
- finally, Alcedo guarantees the correctness of the financial statements through a cross-checking procedure: internally by the Management, externally by the auditor in charge of Deloitte & Touche S.p.A., who annually certified the financial statements, as required by current legislation issued by the Bank of Italy.

Furthermore, Alcedo has adopted a Whistleblowing Policy aimed at allowing employees to anonymously report any misconduct in the organizational structure or internal control system, as well as any other irregularities in the management activity or violation of the rules governing the management activities. The policy provides for a connection with the Supervisory Body, the recipient of the reports relevant for the purposes of 231/01. This Policy defines principles, methods and functional safeguards for the correct management of reports, in compliance with the confidentiality of the parties involved.

The Head of Alcedo's internal reporting systems is Dr. Fabio Di Rosa to whom the responsibility of the Compliance Function is outsourced.

## Anti-Corruption Principles

### MEASUREMENT OF IMPACTS

The results obtained in the anti-corruption area are indicated below:

Activities	Measurement
No. of sanctions imposed by the competent authority	0 – zero
No. internal reports of situations at risk of corruption	0 – zero

### OBJECTIVES

For the year 2023 we are committed to promoting and reaffirming the principles and corporate codes of conduct in the field of anti-corruption through the provision of training aimed at all resources.