

**Regulation on sustainability disclosures in the
financial services sector Articles 3, 4, 5 Regulation
(UE) 2019/2088
(c.d. SFDR)**

Colliers Global Investors Italy SGR S.p.A.

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Intro

Colliers Global Investors Italy SGR S.p.A. ("Colliers Global Investors Italy" or the "SGR"), formerly "Antirion SGR S.p.A.", has embarked on a path that has led the company to take steps toward the progressive integration of ESG objectives in all the key aspects required by Regulation (EU) 2019/2088 on sustainability reporting in the financial services sector (the "SFDR").

Colliers Global Investors Italy, according to its Sustainability Policy, Code of Ethics and Sustainability Manifesto, operates in the real estate market promoting ESG factors to generate value for the company and its stakeholders.

Colliers Global Investors Italy has always operated in such a way as to leave a positive footprint in the contexts in which it is active, promoting sustainable urban regeneration at 360°; in all phases of the life of the property, both the future user of the spaces and those who will be involved in the subsequent redevelopment and management of the buildings are placed at the center, without forgetting the urban context, which will benefit from the positive impacts of the revitalization of existing spaces.

Colliers Global Investors Italy, believing that ESG sustainability is not a goal to be achieved but a mindset, a way of being, a principle that must constantly guide strategies and decisions, contributes to the achievement of selected United Nations Sustainable Development Goals (SDGs).

By means of this document, the SGR intends to comply with the transparency obligations established by the SFDR regarding:

- a) policies on the integration of Sustainability Risks into the investment decision-making process adopted by the SGR (see Article 3 of the SFDR);
- b) consideration of the actual negative effects of investment decisions on Sustainability Factors (see Article 4 of the SFDR);
- c) consistency of the SGR's remuneration policy with the integration of Sustainability Risks (see art. 5 of the SFDR).

In line with the provisions of Article 2 of the SFDR, the terms used in this document with the first letter capitalized below have the meaning ascribed to them to the right:

"Sustainability Factors"

environmental, social, and, personnel issues, respect for human rights, and issues related to the fight against active and passive corruption;

"Sustainability Risks"

an environmental, social, or governance event or condition that, if it occurs, could have a significant actual or potential negative impact on the value of the investment.

A. Information on the policies regarding the integration of Sustainability Risks in the investment decision-making process adopted by the SGR

The SGR pays particular attention to the management of Sustainability Risks, as it is aware that this type of risk, if it materializes, could have an impact on the financial returns of the investments of the AIFs under management.

Therefore, in assessing the investment opportunities identified and then in making the relevant investment decisions, the SGR adopts an approach aimed at identifying and subsequently assessing the main Sustainability Risks linked to the relevant assets.

In particular, in accordance with the investment procedure and responsible investment policy adopted, the SGR implements:

- (i) a "pre-feasibility study", in order to determine the constraints or opportunities for intervention on the asset subject of the investment opportunity in question, useful to improve its environmental and social performance
- (ii) a due diligence activity aimed at analyzing, in addition to the aspects peculiar to real estate investment, the ESG aspects;
- (iii) an analysis of the risk profile of the investment opportunity in question, which includes, inter alia, the assessment of the Sustainability Risks connected thereto on the basis of the following Key Risk Indicators:
 - i. Environmental risk, designed to measure the impacts, positive or negative, on the environment of the asset in terms of energy efficiency, greenhouse gas emissions, consumption of natural resources, etc.;
 - ii. Social impact risk, designed to measure the impacts, positive or negative, of the asset on society in terms of urban impact, tenant welfare, the availability of neighborhood services, etc.;
 - iii. Governance risk.

The results of the above-mentioned due diligence activities are summarized in a memorandum, which includes the specific report prepared by the SGR Risk Management Function. The memorandum is then submitted to the SGR's Board of Directors, which, if necessary, adopts the decision to invest in the asset in question.

B. Failure to take into account the negative effects of investment decisions on Sustainability Factors

The SGR, in compliance with Article 4 of the SFDR, does not currently take into consideration the possible negative effects of its investment decisions on the Sustainability Factors.

The SGR, on the other hand, has started, internally, the analyses deemed appropriate in order to: (i) assess the main negative effects of investment decisions on the Sustainability Factors; and (ii) define precise due diligence policies, which will take into account, among other things, the evolution of the applicable regulatory framework.

It will be the responsibility of the SGR to provide timely updates on these aspects and, in particular, on how the aforementioned negative effects, if any, will be taken into account.

C. Information on how the SGR's remuneration policy is consistent with the integration of Sustainability Risks

Colliers Global Investors Italy ensures the consistency of its remuneration and incentive policy with the integration of Sustainability Risks through:

- (i) on the one hand, the correction for risk (i.e. including Sustainability Risk) of the performance objectives linked to the AIFs; and
- (ii) on the other hand, and exclusively with reference to the definition of the variable remuneration of the SGR's personnel other than the Managing Director, the inclusion of the compliance with ESG objectives among the drivers underlying the precise definitions of the quanti/qualitative elements included in the individual staff evaluation forms to which the variable remuneration is parameterized.