



Partnering for sustainable value creation

FSI ESG Impact Report 2022



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Letter from the CEO

GoSE - FSI's Sustainability Formula

Since its foundation, FSI has been committed to investing and creating value through the sustainable growth of industry shaping companies in Italy. This has led to our company playing a key role in Italy, contributing to the country's economic development and the well-being of all those who work or collaborate with FSI.

Commitment to responsible investing lies at the heart of FSI's investment strategy. Our firm recognizes that creating shared value requires the alignment of FSI's interests with those of the community in which we operate and all our stakeholders.

As the largest Italian private equity Fund, FSI has implemented management policies that consider the social and environmental impact of its decisions and actions on the community. To develop them in a consistent way, our Team has developed a culture where sustainability is fully integrated in our investment decision process.

At FSI we believe that a responsible investor should, first and foremost, start implementing a robust governance system ("Go"). This includes building an organisational structure based on meritocratic criteria, empowering management with clear powers and proxies, developing succession plans, keeping the roles of Chairman and CEO separate, decoupling the roles of entrepreneurs, investors and management and reducing the gender pay gap. Good governance will result in better management teams and better employees ("S"). To nurture and increase human capital, at FSI we implement a fact-base performance and incentive plan, welfare policies, foster diversity and inclusion, encourage young, high-potential talent, and attract skilled resources. Better human capital, when properly incentivised, will produce stronger industrial and financial plans in which sustainability goals are fully incorporated. Those plans are FSI's compass to set ambitious CO₂ reduction plans and a better planet ("E"). We have called our sustainability formula "Go.S.E." (usually known as ESG). We have made this formula part of our daily activities and we have even patented it!

We are very excited and strongly committed to transform the sustainability challenge into a great opportunity.

Maurizio Tamagnini
CEO FSI

FSI Highlights

FSI Financials

2,1 bln€

Asset Under Management

2

Funds, the latter is classified as of art. 8 SFDR

FSI Advocacy and Partnerships



Winner for the 2nd year in a row of the Premio Dematté in the Big Expansion category



Confirmed in "PEI 300". FSI is the only Italian Fund included in the list



Full Member and Sponsor of Level 20, an organization that aims at improving gender diversity in the European PE industry



Member of AIFI, the Italian Association of Private Equity, Venture Capital and Private Debt



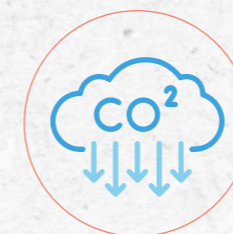
Member of the Global PE alliance, an International network of mid-market PE firms



Signatory of the United Nation Principles for Responsible Investment

2021 SCORE:
ISP: 70% ★★★★★
Direct PE: 78% ★★★★★

ESG at Portfolio Level



8 tCO₂e/mln€

Portfolio carbon footprint

VS

16 in 2021

of which

3 tCO₂e/mln€

Considering like for like portfolio composition

VS

4 in 2021



11,539

Total portfolio companies employees

VS

3,397 in 2021

+8,142

Employees vs 2021, of which

+120

Considering like for like portfolio composition

+8,022

Considering the employees from companies invested in 2022



19%

Women in the BoD

VS

10% in 2021

47%

Women employees

VS

45% in 2021



0

Corruption episodes

VS

0 in 2021

100%

Implement a 231 Model

VS

80% in 2021

7

CHAPTER

Investment strategy



Background

FSI was set up in Milan (Italy) in 2017 by Maurizio Tamagnini (CEO, Managing Partner), Barnaba Ravanne (CIO, Co-Managing Partner) and Marco Tugnolo (Partner). A fourth Partner, Carlo Moser, joined in September 2018. In December 2022 Marco Valcamonica and Giacomo Tofani were promoted Partners.

FSI's organization comprises 40 professionals, making it the largest private equity "on-field" team in Italy. Most team members have worked together for over 10 years, and the CEO and CIO for over 25 years. The team includes also a roster of eight internationally reputed high-profile industrial partners, who support origination, due diligence and provide management network in sectors and areas of competence.

Market approach

FSI focuses on target companies with revenues ranging from €100 million to €1 billion and that have international exposure (deriving most of the revenues outside of Italy), or significant underlying growth fundamentals and sector consolidation potential.

Within a wide range of attractive sector in Italy, FSI pays special attention to the Digital-Fintech and Pharmaceutical industries, where there is a limited exposure to geopolitical or consumer risks. The firm operates through partnership investments, where it has a proven track record - predominantly as a minority investor - of aligning its interests with partners that can include different market players (families, strategic industrial, banks, etc.) to accelerate the value creation of invested companies. FSI takes a hands-on approach to governance, operating with relevant rights. This enables the firm to drive business growth, attract management talent, and manage exits.



FSI: the largest private equity team in Italy



mostly in the Digital-Fintech and Healthcare sectors



FSI Key Success Factors

Investment highlights

FSI offers investors a unique proposition. The recently launched FSI II alike FSI I, will be the largest private equity fund dedicated to Italy, providing significant competitive advantages in terms of scale, flexibility, and focus.

FSI is managed by a large team, on-the-ground in Milan, that has been working together for over 10 years and has been a reference point for several counterparts, originating and managing a consistent pipeline of opportunities.



BCC Pay Closing

Bilateral origination

FSI generates opportunities and investments through a bilateral approach, rather than relying on auctions. For FSI I the team was in fact able to originate all its investments from direct relationships and outside of highly intermediated processes. This approach allows FSI to develop the partnership with founders and managers and structure the investment as a taylor made solution.

Focus and opportunities in Digital - Fintech and Healthcare sectors

FSI Funds continue to maintain their distinctive focus on the Digital-Fintech and Healthcare sectors, where the firm has built capabilities, reputation, and pipeline, thanks to successful investments and exits.



Unique market opportunity

FSI's target market consists of over 3,000 companies, many of which are world-class niche players with unexpressed potential and geographically diversified businesses. This market has been growing over the past years, with increasing acceptance of private capital by family businesses and first-time capital openers. Despite recent growth, the opportunity to invest in first-time capital openers remains significant, with only 11% of FSI's core target companies having private or public investors in their capital.

Many of these companies have already undergone an ESG roadmap, though may need additional capital flow to strongly invest in their transition. Other, have not yet started to decarbonize, thus enabling an ESG plan enabling the capital investor to implement an ESG plan "from scratch".

Exhibit 1. FSI investment formula



CHAPTER **2**

FSI Funds and Sustainability

FSI I

FSI I was established in 2017, in a regulatory framework different from the one currently in force. As a result, FSI I is classified in accordance with the provisions of Art. 6, paragraphs 1, 2, and 3 of Regulation (EU) 2019/2088.

According to Article 6 of Regulation (EU) 2020/852, which expressly refers to Article 6 of EU Regulation 2019/2088, the activities of portfolio companies invested by FSI I can be attributed with the label 'DNSH' (Do not significantly harm). Therefore, all portfolio companies of FSI I are subject to the analysis of materiality of ESG issues and the measurement of key en-

vironmental performance indicators to tackle climate change, even if these investments are not explicitly aimed at contributing to carbon neutrality or other environmental objectives stated by Article 8 of EU Taxonomy.

FSI I, which raised €1.4 billion, is regarded as one of the best-performing funds of its vintage in Europe. The FSI team implemented an investment strategy that resulted in four exits as of Dec. 31st, 2022 generating outstanding results, results. At year end FSI I was 86% drawn with 10 investments.

At the end of 2022



PORTFOLIO

was composed of the following portfolio companies



Fintech

Cedacri is a leading provider of core banking solutions, software and services, and is also the largest independent platform for Financial Institutions in Italy. The group has a compelling and comprehensive portfolio of technologies and services



Fashion luxury

Missoni is an excellence in the Italian fashion industry and one of the most wellknown independent Italian luxury brands. Founded in 1953 by Ottavio and Rosita Missoni, the company is renowned for its iconic looks made of patterned knits



Healthcare

Kedrion BPL is a leading biopharmaceutical company specialized in the development, production and distribution of plasma-derived therapeutic products for use in treating serious diseases, disorders and rare sickness. It is a largest player in Italy and one of the top five worldwide



Digital

Lynx is one of Italy's main providers of IT and digital services for utilities, banks, insurance companies and the public administration. The company is in continuous evolution through organic growth and external acquisitions



Big-data financial info

Cerved is a leading Information Provider in Italy, offering data intelligence and credit management services mainly to financial institutions and corporates. In 2021 ION group, a global leading Fintech group, in partnership with FSI, acquired Cerved through a take private



Digital payments

BCC Pay is a digital payment service company providing card issuing and merchant acquiring services. The company manages c. 4.1 mln payment cards and 214k POS. The FSI investment, in partnership with Iccrea Group, aims to scale up the business and create an independent player to address mid-size banks



FSI II

In Q3 2022, FSI launched FSI II, with a target (hard cap) at EUR 1.5 bn. FSI II is expected to have a similar size as FSI I, and will continue to have a consistent approach to the market, offering Partnership Capital to help Family/ Founder-led corporates sustain, grow and transform their businesses, manage their succession and create positive social impact. The fund will continue to build on the enhanced reputation, sector knowledge, network and market presence deriving from the successful deployment of FSI I.

While ESG principles have been successfully integrated into the investment strategy of FSI I, the new Fund will further extend ESG integration throughout the investment lifecycle, in order to efficiently implement the sustainability plans.

FSI II is in fact classified in accordance to (EU) 2088/2019 Regulation (SFDR), art. 8. Fund and will align its investment opportunities to climate change mitigation objectives.

3

CHAPTER

FSI Carbon strategy

Financed Emission and Roadmap to Decarbonization

The European Commission defined climate strategy as the “top priority” of its action. To counteract the ongoing climate change, the Commission has directed its decisions towards achieving, within 2050, the “Net Zero” goal set by the 2015 Paris Agreement.

The European regulatory framework on the implementation of sustainable topics in the financial sector is quickly updating and experiencing the adoption of increasingly specific interventions.

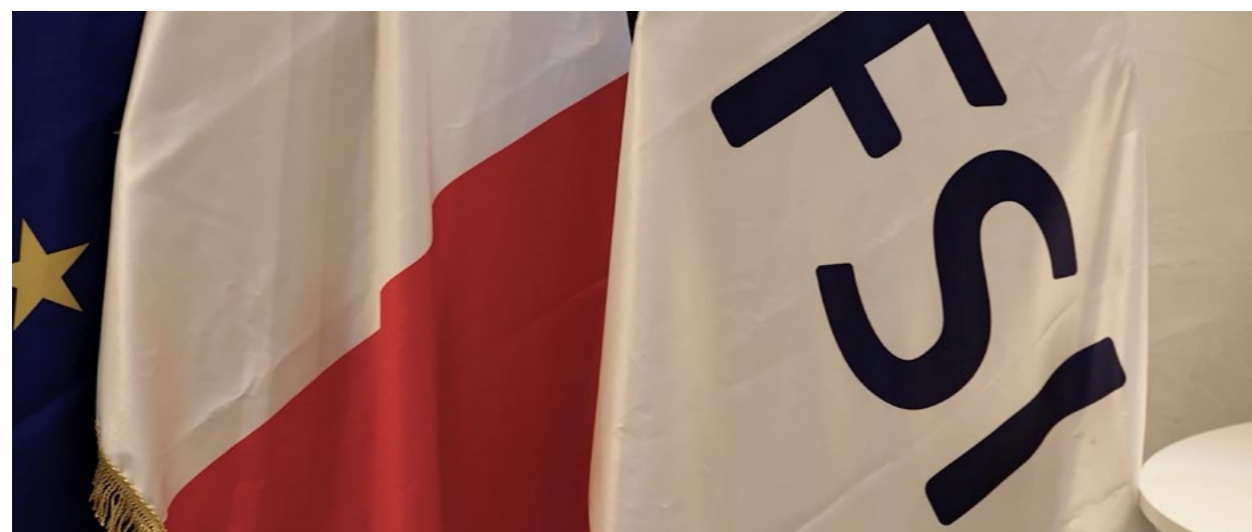
For Private Capital Funds, the climate and environmental challenge has to be undertaken over a short to medium-term horizon. The duration of the investment requires the alignment of the roadmap with decarbonization targets, which sets 2030 as the first checkpoint (the European regulatory package known as "Fit for 55" sets a 55% reduction in carbon emissions by that date).

Private Capital Funds need to implement the ESG commitments through a transformative roadmap going from the pre-investment phase to the exit.

Bank of Italy’s expectations

In December 2022, the Bank of Italy issued "Supervisory expectations on climate and environmental change" (the "Expectations") aimed at aligning supervised financial intermediaries' strategies towards progressive integration of climate and environmental risks into the governance and control system, business model and corporate strategy, organizational system and operational processes, risk management system and in reporting.

The financial market needs accurate disclosure related to financial performance, on one hand, and ESG performances of the invested assets as well. The intention of the Bank of Italy is, therefore, to bring the highest level of awareness of climate-related risks among its supervised entities.



Key points of FSI climate strategy

To meet the "Expectations" formulated by the Bank of Italy FSI has implemented suitable tools and methods to integrate ESG topics into the due diligence of target companies and, post-investment, monitor and endorse them during the holding period.

In addition, FSI has defined further target commitments for upcoming years, drawing a transition roadmap that defines the ESG strategy to tackle climate change through a gradual adoption of new measures and their implementation, both at the corporate and

portfolio company level.

Moreover, FSI actively engages in sustainability, not only by delivering ESG progress in the management of the FSI I portfolio, but also by launching FSI II, which is natively aligned to Art. 8 of SFDR.

In particular with reference to decarbonization, FSI has committed to operate in consistency with “The Paris Agreement”, whose objective is to reduce to Net Zero the Carbon dioxide contribution in the atmosphere by 2050.

FSI adheres to several global bodies that developed internationally recognized best practices for the financial sector



is committed to:



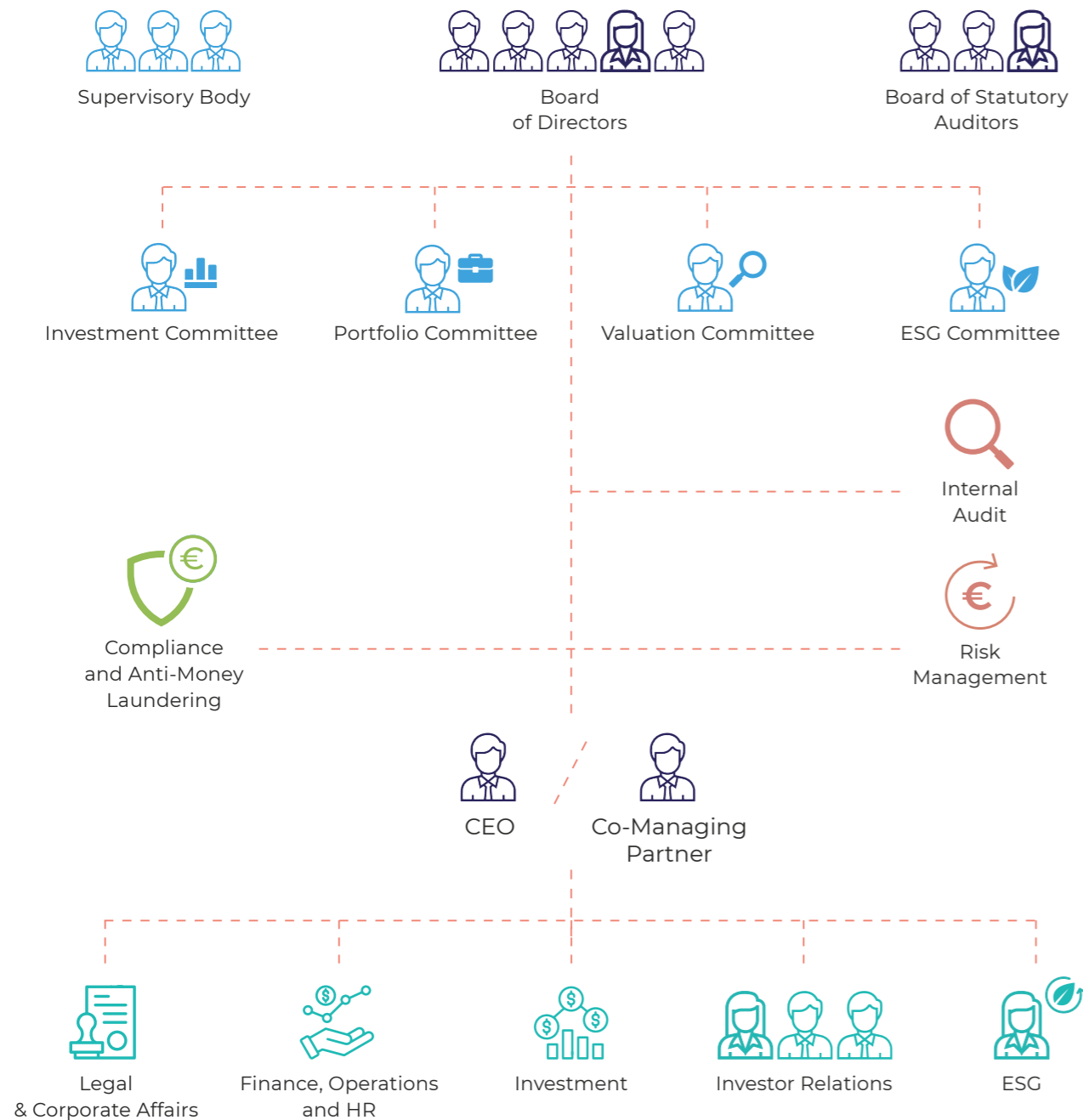
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CHAPTER

A Sustainable Governance

A Sustainable Governance

Our Governance



- Corporate Bodies
- Committees, bodies and other professional supervisors
- Collaborators and outsourced services
- Internal Control System and its organisational units
- Organisational Units



The **Board of Directors (BoD)** is composed of 5 members, one of which is a female, and one is independent. It is supported by the ESG Committee and is responsible for defining the ESG strategy. The BoD takes final decisions regarding the approval of relevant documents related to ESG topics. Leading the organization, the Board of Directors plays a strategic and supervisory role, defining responsible investment strategies and guiding the company's ESG decisions.



The **ESG Committee** plays a key role in managing FSI's sustainability topics oversight. Chaired by the Co-Managing Partner/CIO and composed of Senior Management, it is responsible for supporting the BoD and the CEO in the areas of ESG, both within FSI and in relation to its portfolio. The Committee promotes specific projects, analyses progress, and supervises reporting initiatives, such as the ESG Report and the UN PRI Report.



The **ESG Director** is responsible for formulating, developing, and proposing the corporate sustainability strategy to be implemented at all stages of the investment process. The ESG Director supports portfolio companies' management in their sustainability transition, coordinating activities and raising the awareness of sustainability culture. The ESG Director is fully integrated in the investment team.



In terms of ESG Governance initiatives, FSI adopts an incentive system that links the variable remuneration partly to sustainability objectives and provides for gender pay gap provisions and Corporate Bodies specific training on ESG topics.

The FSI sustainability roadmap

FSI believes that the integration of environmental, social and governance (ESG) factors within the operational activities and the investment decision is crucial for the overall sustainability and feasibility of its business. FSI has been a UN PRI signatory since 2017 and within the same year adopted the Invest Europe's Professional standards. The first FSI Sustainability Report dates back to 2019, and in 2020 the Management Company decided to enhance the **sustainable strategic** agenda by assigning ESG roles and responsibilities and by drafting an **ESG strategy**.

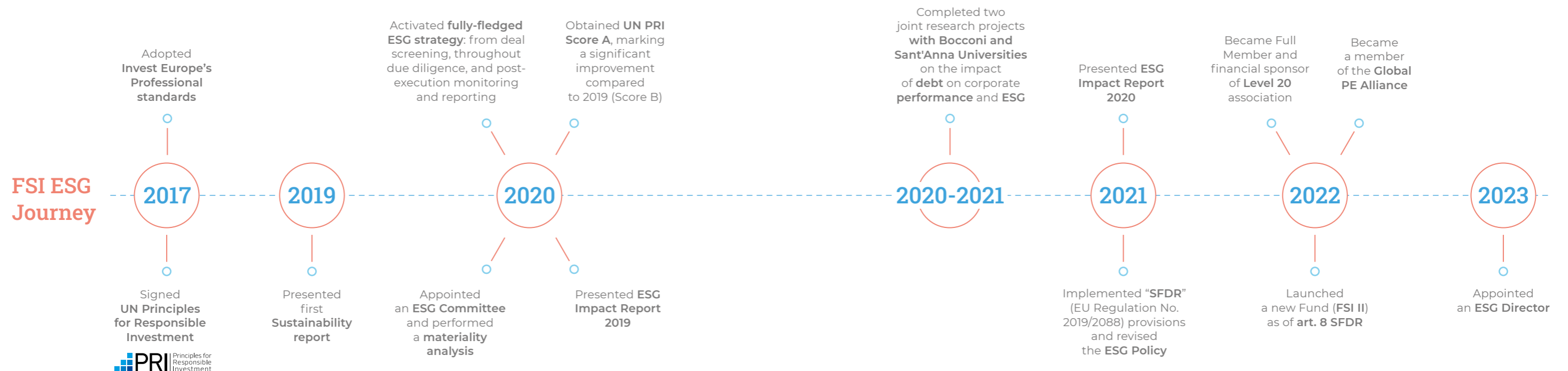


In 2020 FSI set up an ESG Committee and performed a materiality analysis, in order to identify the most important environmental, social and governance topics on which to focus its operational and investment strategies. Since then, FSI monitors the ESG performance at Management Company and portfolio level, by partnering up and joining external initiatives to create shared and sustainable value, improving the quality of its reporting efforts, complying with national and European applicable legislations and launching products that promote ESG characteristics. Each step of the sustainability path, which will be further examined in this Report, has contributed towards making FSI a more sustainable and

responsible operator, adopting a responsible approach in both its activities and investment processes.

FSI monitors the ESG performance at Management Company and portfolio level

Exhibit 2. FSI sustainability path



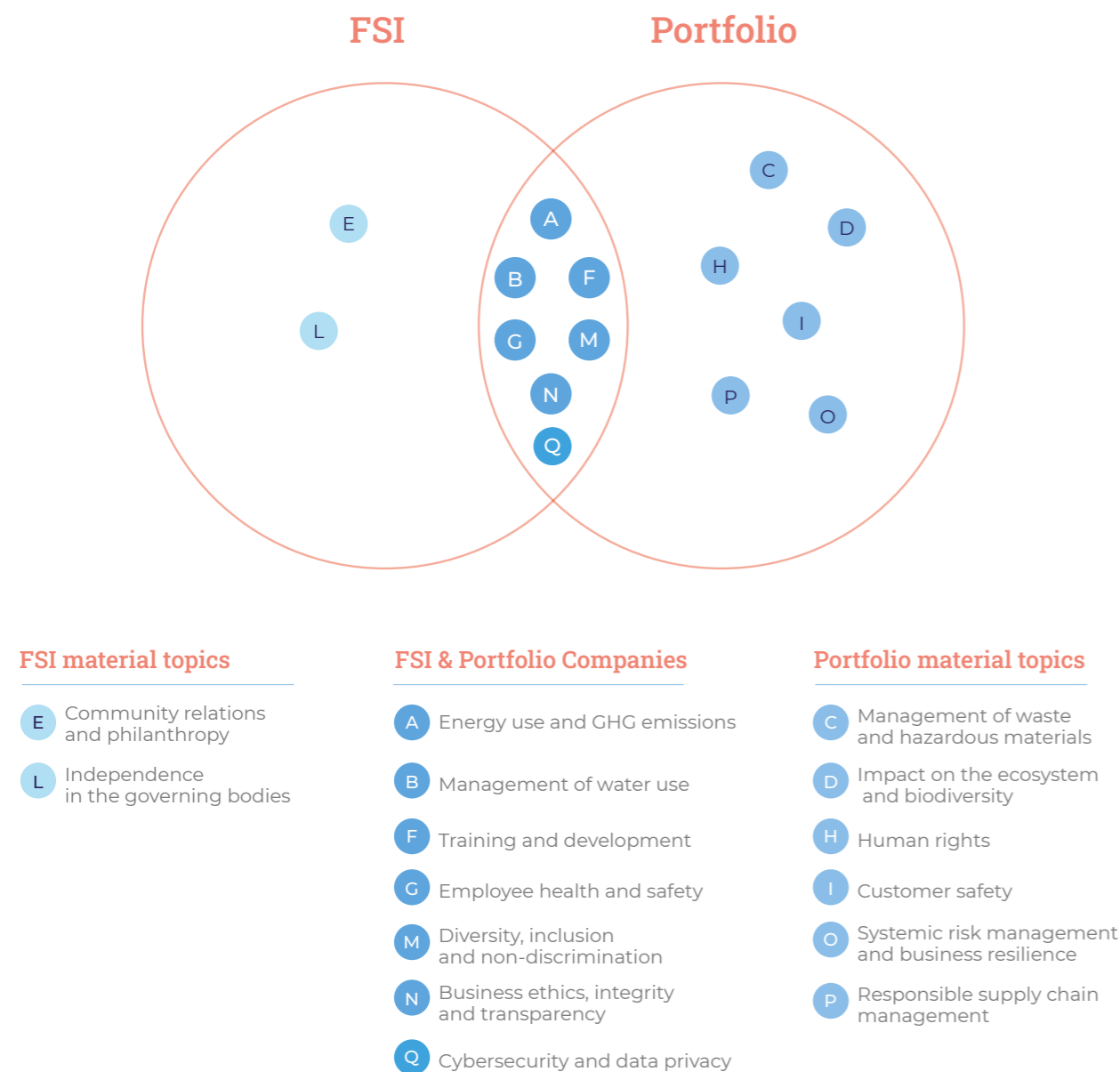
Materiality analysis

Materiality analysis allows to identify the economic, social, and environmental aspects that are relevant to the organization and its stakeholders, identify the areas towards which strategic decisions should be directed, and report them within the ESG Report.

In 2020, FSI conducted its Materiality analysis, involving FSI Management, Portfolio companies' Management main Investors. Since then, the analysis has been updated periodically, in order to review its priority list.

A list of the material topics for FSI and the investment portfolio is presented.

Exhibit 3. ESG material topics for FSI and investment portfolio



ESG Policy

FSI is fully aware of its responsibility to contribute to sustainable growth. Therefore, the Company has implemented specific management policies that take into account, among other elements, an assessment of the social and environmental impact that its decisions and actions might have on the community. In fact, it is essential to consider ESG factors when thinking of developing a long-term sustainable business model. Furthermore, ESG topics influence the performance of both the Management Company and its portfolio companies.

To ensure that such topics are managed, FSI has adopted an ESG Policy that describes the Company's view on sustainability and how this value is factored into any investment decision. The goal is to prevent and mitigate potential ESG risks. The document thus represents FSI's formal commitment to always factor ESG risks and implications in its day-to-day operations and investment decisions.

FSI ESG Governance

FSI adopts a structured governance approach to manage sustainability-related issues.

Board of Directors (BoD): it oversees Sustainability governance, and is composed by 5 members, one of which is female, and one is independent.



The Board of Directors is supported by the ESG Committee and is responsible for defining the ESG strategy. The BoD reviews and approves relevant documents related to ESG topics. The Board of Directors plays a strategic and supervisory role, defining responsible investment strategies and guiding the company's ESG decisions.

The ESG Committee: plays a key role in managing FSI's sustainability topics oversight. Chaired by the Chief Investment Officer and composed of Senior Management, it is responsible for supporting the BoD and the

Chief Executive Officer (CEO) in the ESG areas, both within FSI and portfolio companies. The Committee promotes specific projects, analyses progress, and supervises reporting initiatives, such as the ESG Report and the UN PRI Report.

Moreover in 2022, it was agreed that, from 2023 onwards, the ESG Director would be a member of the ESG Committee to strengthen the implementation of the ESG strategy, the engagement of portfolio companies and the external ESG reporting.

The integrity and business ethics at FSI

Ethics, business integrity and transparency are the core values of FSI's Corporate Governance. These principles are stated in the company's Code of Ethics and inspire the actions taken by its representatives at all levels.

Since 2017, FSI adopted its Organizational, Management and Control Model pursuant to Legislative Decree 231/2001, which is updated in accordance with regulatory requirements, organizational changes and reference to best practices. The Code of Ethics forms an integral part of the Model.

FSI also implemented Whistleblowing Guidelines to manage unlawful behaviour, while protecting whistleblowers. In addition, the Anti-Money Laundering Policy guarantees the utmost correctness of business conduct to avoid the risks of corruption and money laundering.



in 2022 as for
the previous years



trained by FSI on
anti-corruption and anti-bribery
topics in 2022,
as in the previous years



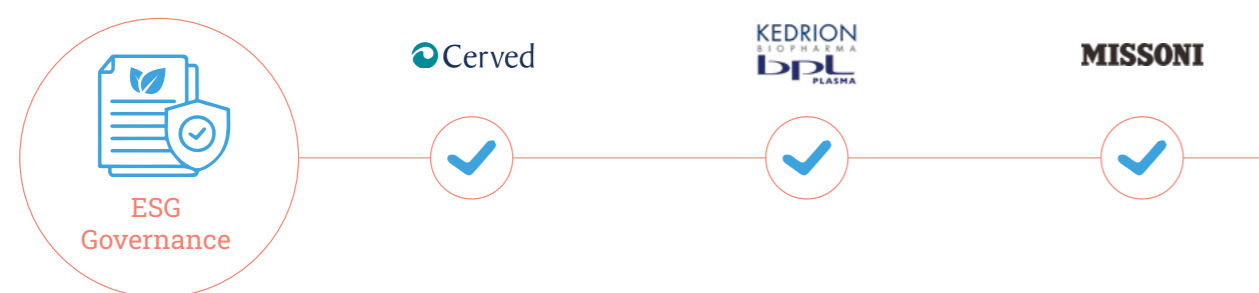
The ESG Governance at portfolio-level

ESG Governance

The establishment of an ESG Governance is a key element for a portfolio company. It ensures an effective governance and communication with the Management Company and an effective and easier implementation of ESG strategies.

Across the FSI portfolio companies, Cerved, Kedrion BPL and Missoni adopted a structured ESG governance.

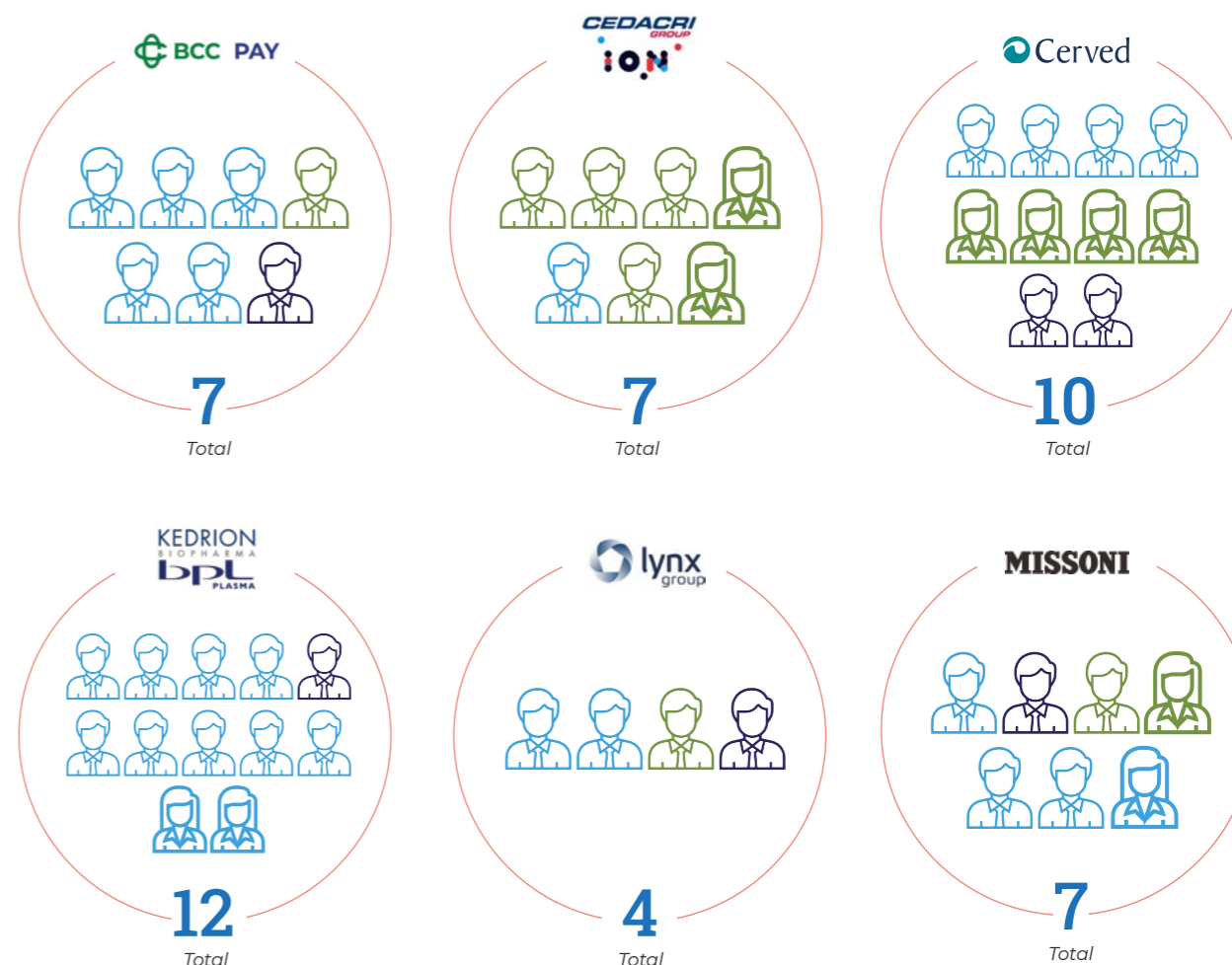
Exhibit 4. ESG material topics for FSI and investment portfolio



Cerved, Kedrion BPL and Missoni appointed an ESG Manager / Chief Sustainability Officer, responsible for identifying the main ESG areas relevant for the Company, supervising the main ESG-related activities and projects and monitoring ESG KPIs. Moreover, Cerved's Board of Directors oversees the ESG governance and the Management Control Committee of Cerved holds specific responsibilities on drafting the ESG strategy – for more information, please refer to the Company's Sustainability Report.

Below is provided a representation by gender of the BoD of all investee companies. FSI fosters the importance to appoint members to ensure gender equality, diversity and grant independence.

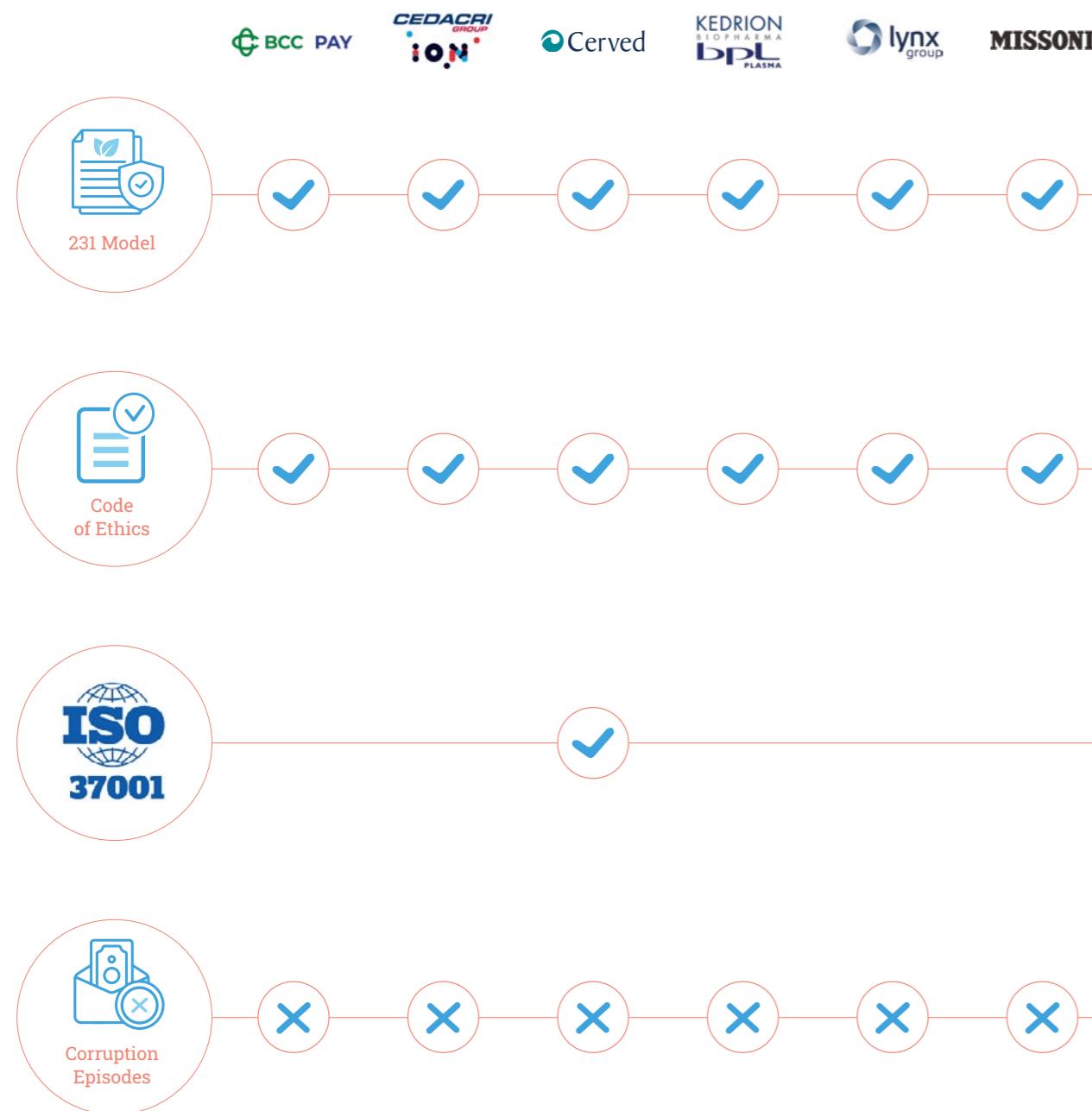
Composition of the BoD



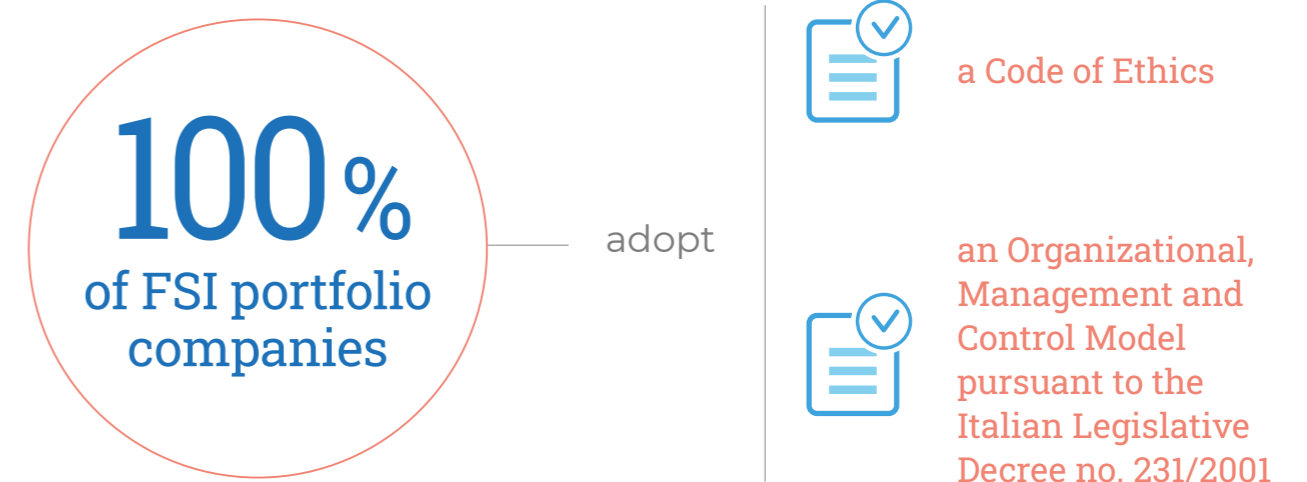
100% of FSI portfolio companies appoint independent members and/or women members within the BoD

Anticorruption and bribery

The adoption of ethical policies and procedures and compliance with the applicable laws and regulations is crucial for maintaining an environment which is fair and free from corruption dynamics.



For what concerns BCC Pay, the 231 Model and the Code of Ethics are related to Iccrea Group.



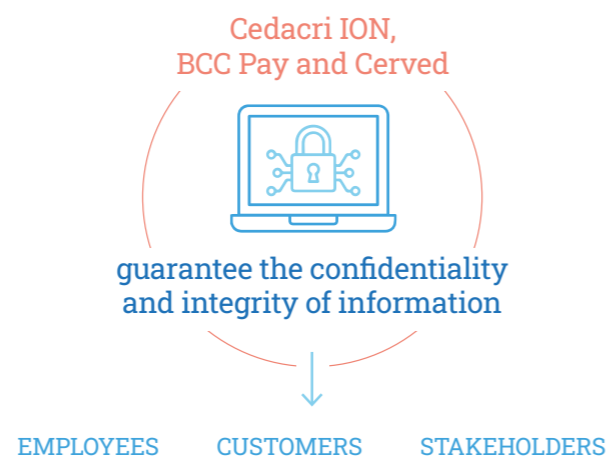
Cybersecurity and data privacy protection

The adoption of ethical policies and procedures and compliance with the applicable laws and regulations is key to maintain a healthy business environment, free from cyber-attacks and fair to protect data safety.



Simone Terenzi, Head of compliance TopLegal Award 2022

Cedacri ION, BCC Pay and **Cerved** (for BCC Pay data refers to ICCREA Group) invest and establish a set of policies, procedures, and measures in order to ensure the protection of internal and external data, guaranteeing the confidentiality, integrity and availability of all information coming from their employees, customers, and more in general of all stakeholders, thereby preventing business interruptions and thus enabling business continuity. They adopt an appropriate information security management system which is certified ISO 27001 – information security standard.



FSI portfolio companies - Cedacri ION, Cerved, and BCC Pay (Iccrea Group) - are ISO 27001 certified, meaning that they hold an information security system, and they have internal policies and procedures on the topic

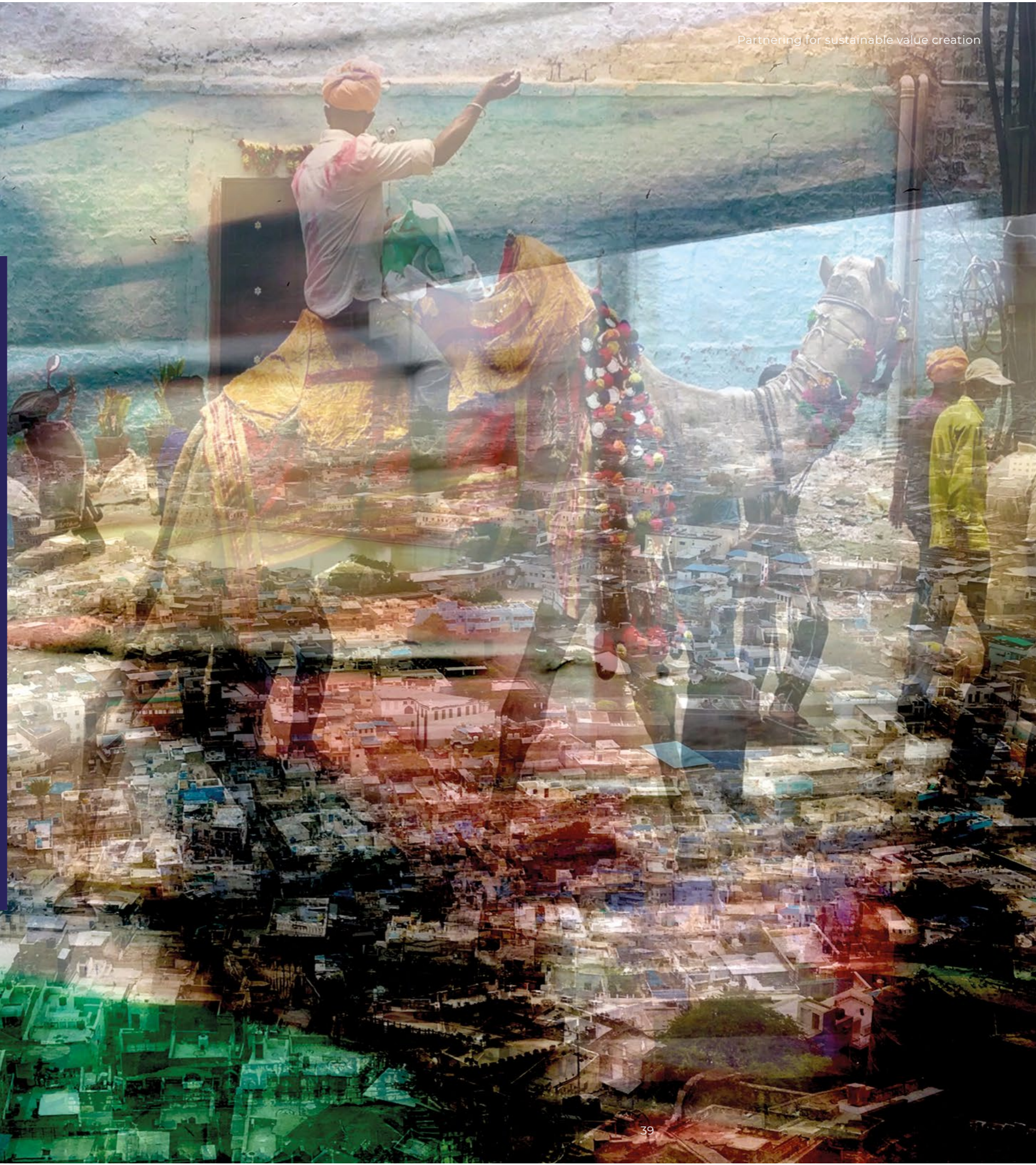
In particular, Cedacri ION issued two policies relating to data security, i.e. 'Security Manual Security Manual' and 'Principles for the protection of personal data and the implementation of privacy rules in Cedacri ION', both focused on the data protection measures adopted. The Iccrea Group adopts a coordinated system of policies and organisational/technological measures to ensure adequate levels of confidentiality, integrity, and availability of informa-

tion, continuously improving its internal processes and investing significant resources for technological adaptation. Particular attention is paid to protecting the security of information, both its own and that of its customers, and to the continuity of its operations and services. Moreover, for Cerved, data security is a priority and is guaranteed through information protection programmes and the presence of specialist, trained personnel.

5

CHAPTER

Social impact



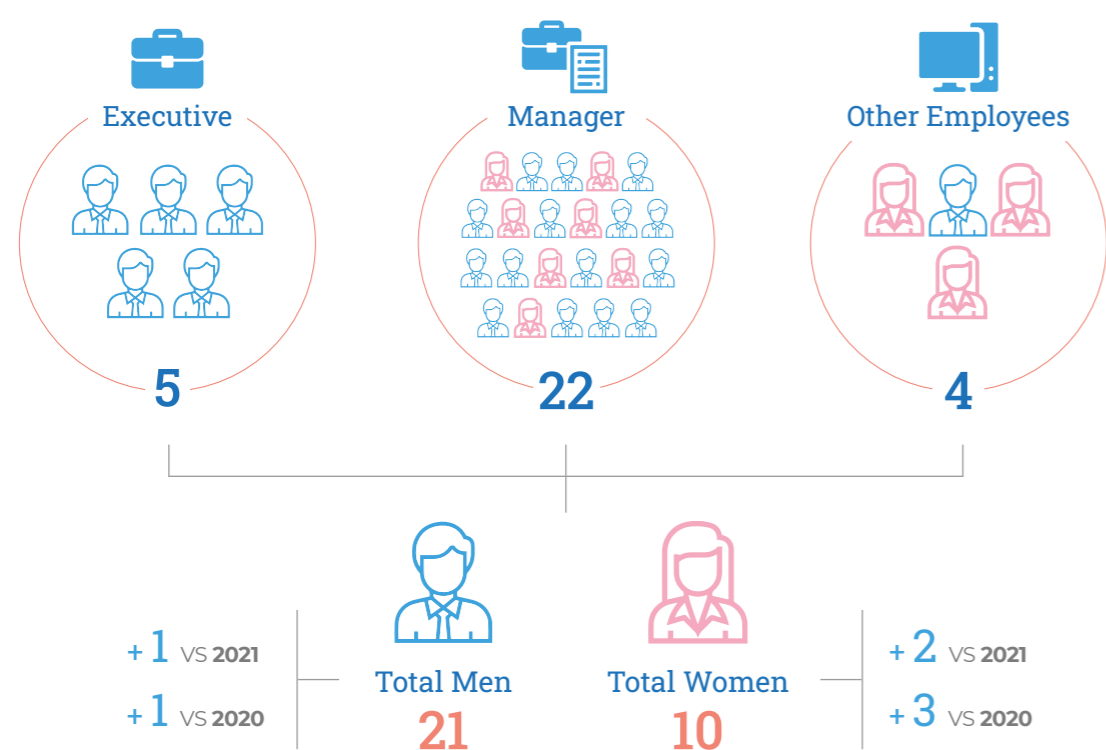
People management at FSI

FSI is committed to integrating sustainable and responsible business practices throughout its operations. Robust policies and procedures are in place, in order to foster the right values and culture within our company.

Selection and retention

FSI adopted an operational Policy on selection and recruitment of employees, through which the Management Company defines roles, responsibilities, and procedures to be followed by the Company's personnel in managing the process of talent attraction, selection and retention.

FSI Employees by gender (2022)



The Company's 2022 employees turnover is equal to zero

Training

Being able to rely on professionals with up-to-date competences, enables FSI to effectively respond to market requirements and face new challenges successfully. FSI developed an Annual Training Plan including planned training hours, material topics, broad involvements, and pre-set objectives. These activities are monitored by HR and the Head of Compliance, who guarantees that the training plan is carried out properly and that feedback is collected.

FSI provides its employees with mandatory and optional training programs, designed to upskill the Company professionals. Diverse training activities were organized during 2022, among which there are:

- **mindfulness programs** dedicated to all employees;
- **coaching activities dedicated** to specific professionals who embraced new career paths within FSI;
- **cybersecurity trainings** aimed at all employees;
- **seminars on diversity and inclusion** and unconscious bias aimed at all employees and portfolio companies'. Given the interest on the topic, unconscious bias additional webinars were planned for 2023;
- selection of a post-graduate employee

from the investment team to attend the postgraduate **Sole 24Ore Business School Master's course**, in order to strengthen awareness on ESG issues;

- **mandatory trainings** (e.g., anticorruption, health and safety).



Employee satisfaction and performance evaluation

Training is not the only thing that makes a difference at FSI. All employees are encouraged to provide feedback of their workplace satisfaction, which is then collected and analysed by the human resources department.

During 2022, employee satisfaction measurement was carried out twice a year through one-to-one interviews with employees during the Annual Performance Review of the Investment Team. Employee engagement, together with a continuous and reciprocal exchange of information and teamwork, makes it possible to maintain a cooperative working environment which leads the company to have zero turnover.

Health and safety

Sustainability also means healthy and safe workplaces. Maintaining a healthy workplace does not merely imply complying with the provisions of Italian Legislative Decree 81/08. Preventing health risks and supporting well-being at work is also a sustainability goal of great importance. FSI promotes a culture of safety by training staff to comply with internal and external rules and encouraging full awareness. Personal protection equipment (PPE) against Covid-19 spread was still available all-over 2022.



Wellbeing

FSI also offers corporate welfare services to its employees, preventing stress and creating a positive working environment, leading to a more productive workforce and resulting in greater success for the company itself.

The company values the mental and physical well-being of its employees through “parliamone” - a psychological counselling service - and

“headspace” - an app downloaded on everyone’s phone which supports with mindfulness exercises.

However, FSI does not only value the well-being of its employees, but also of their families, though, for example, caregiving services for employees’ parents, study vouchers for employees’ children of first and second grade school and deserving university students, and day-care contributions.



FSI for diversity, equity and inclusion

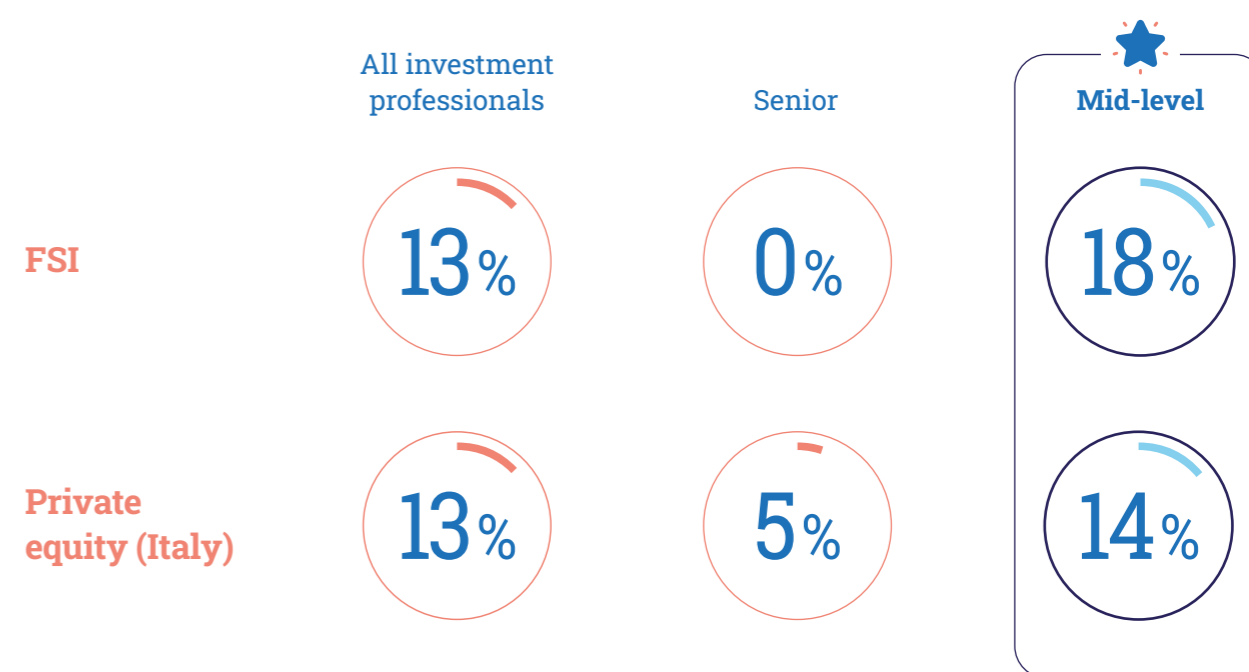
Within its Code of Ethics and the Guidelines to Prevent and tackle Discrimination, Bullying and Harassment, FSI has defined its approach to diversity, equality and inclusion.

To strengthen the commitment on the topic, during 2021 FSI adhered to the Level 20 association both as a full member and a financial sponsor

As highlighted by the charts below, a study conducted by Level 20, a not-for-profit organization that aims at improving gender diversity in the Private Equity industry, shows how within the Private Equity sector across Italy, women represent the 13% of the overall investment professionals, in line with what happens at FSI. However, at FSI the percentage of women is

mainly concentrated at the mid-level (18%). This performance is higher than the European average for the private equity sector. FSI commits to fostering diversity in its workforce, encouraging the retention and promotion of women in the investment team by selecting talented women and training them in order to become expert senior executives in the next future.

Exhibit 5. ESG material topics for FSI and investment portfolio



Data source: Level 20

Portfolio company people management and performance

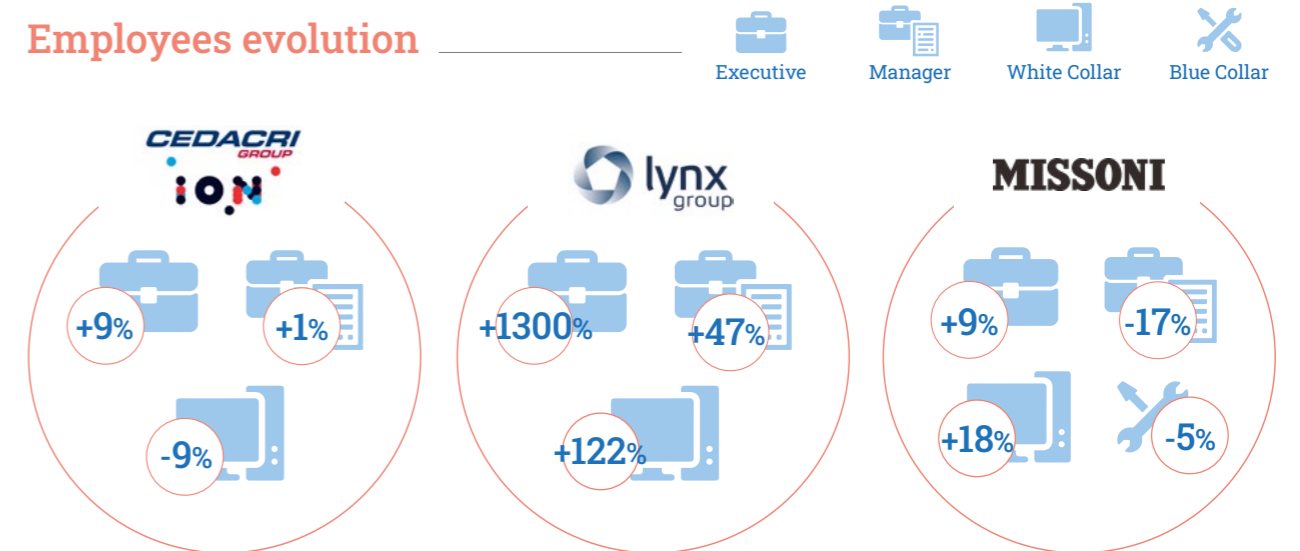
Selection and retention

Human capital is the fundamental resource for the performance of all activities to be conducted. FSI is committed to high standard in the selection of new employees, to creating a dynamic working environment, diversifying skills and providing opportunities for high potential resources.

A structured approach to people management is crucial in order to foster portfolio companies growth and create safe environments where people can be mentored and pursue career paths and leadership roles.

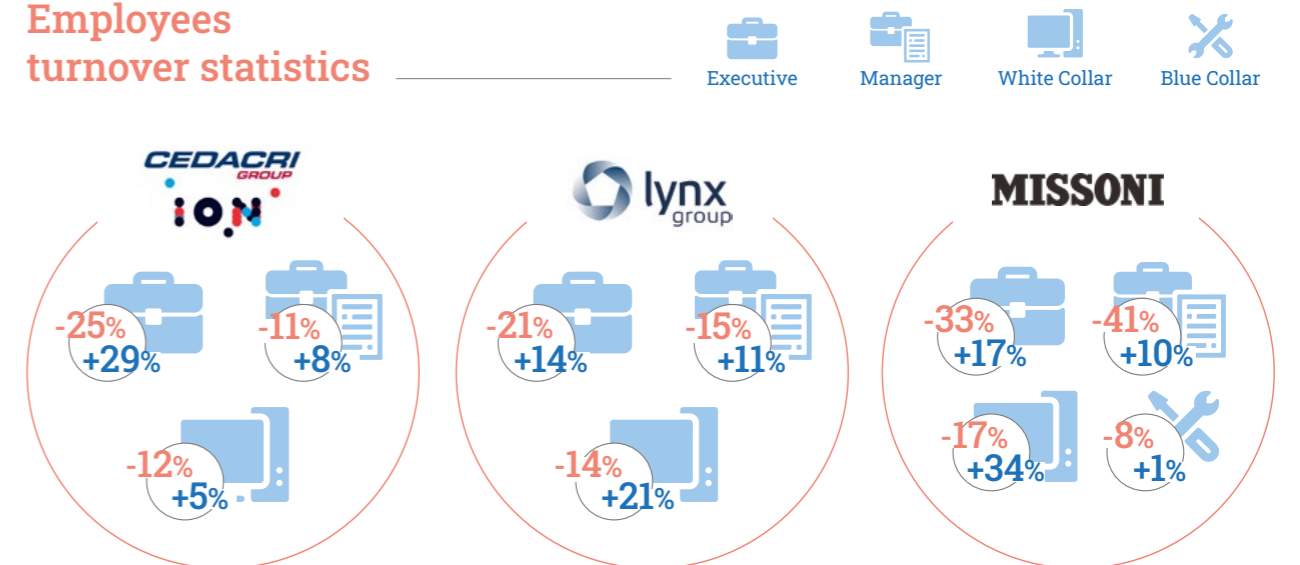


Employees evolution



The exhibit shows how the employees composition changed in 2022 against 2021, the increase/decrease reported in percentage. BCC Pay and Cerved data have not been included, since they were invested in 2022. With reference to Kedrion, employees data referred to 2022 are not comparable with previous year, since FSI invested in the combination occurred between Kedrion and BPL in 2022, thus resulting in a completely change of perimeter in the data collected.

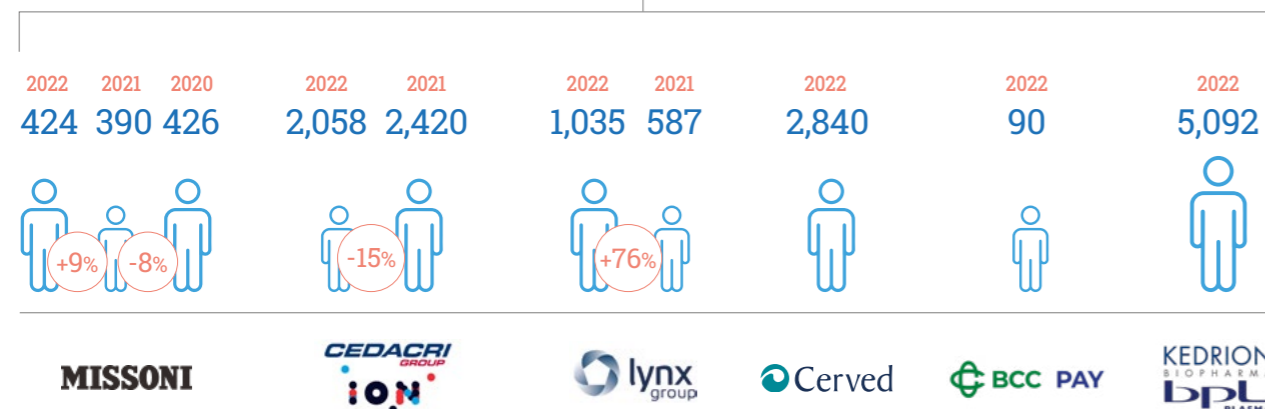
Employees turnover statistics



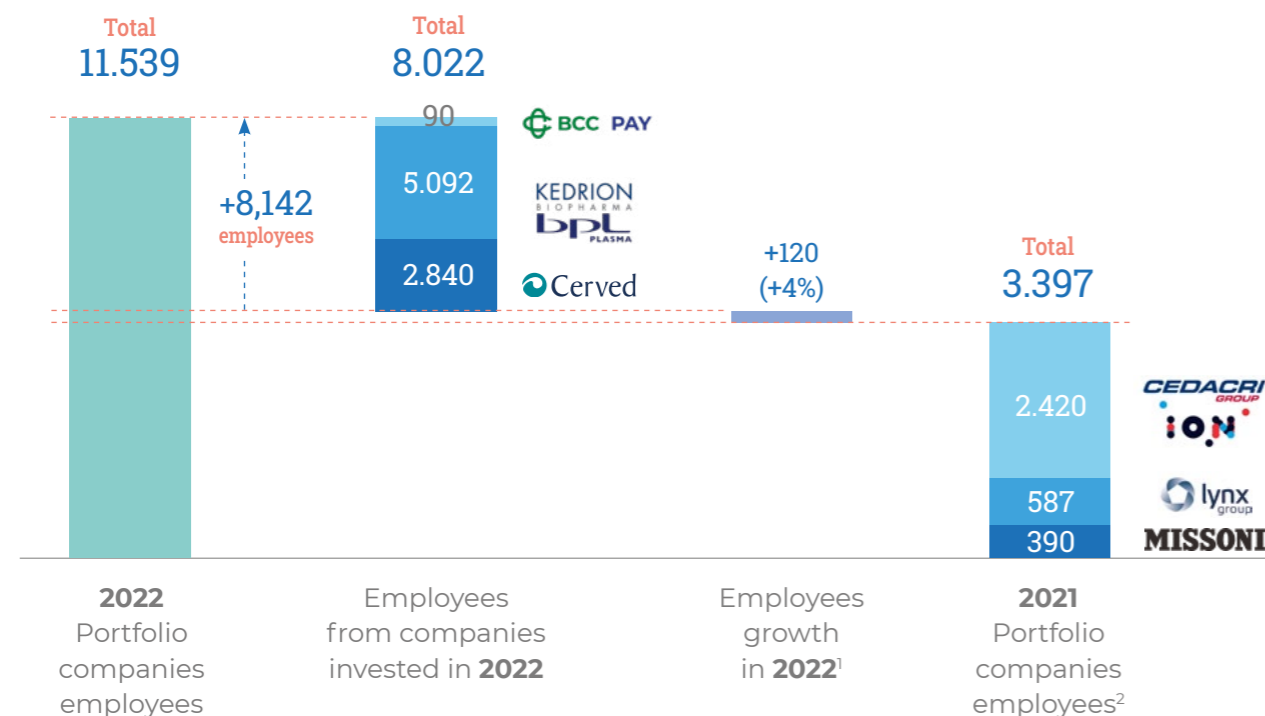
For each professional category across the portfolio companies, the exhibit shows in percentage both employees newly hired (in blue) and those who were terminated (in red), compared with total workforce.

Employees

Total 2022
11,539



Portfolio employees evolution



At the end of 2022 the aggregate employees of the FSI portfolio have grown by 8,142 units.

The like for like set of portfolio companies grew its employees base by 4% year over year (+120 employees).

The new investments completed by FSI in 2022 (BCC PAY, Cerved, Kedrion BPL) resulted in an addition of 8,022 employees, bringing the total to 11,539 for the entire portfolio³, as of Dec 31st, 2022.



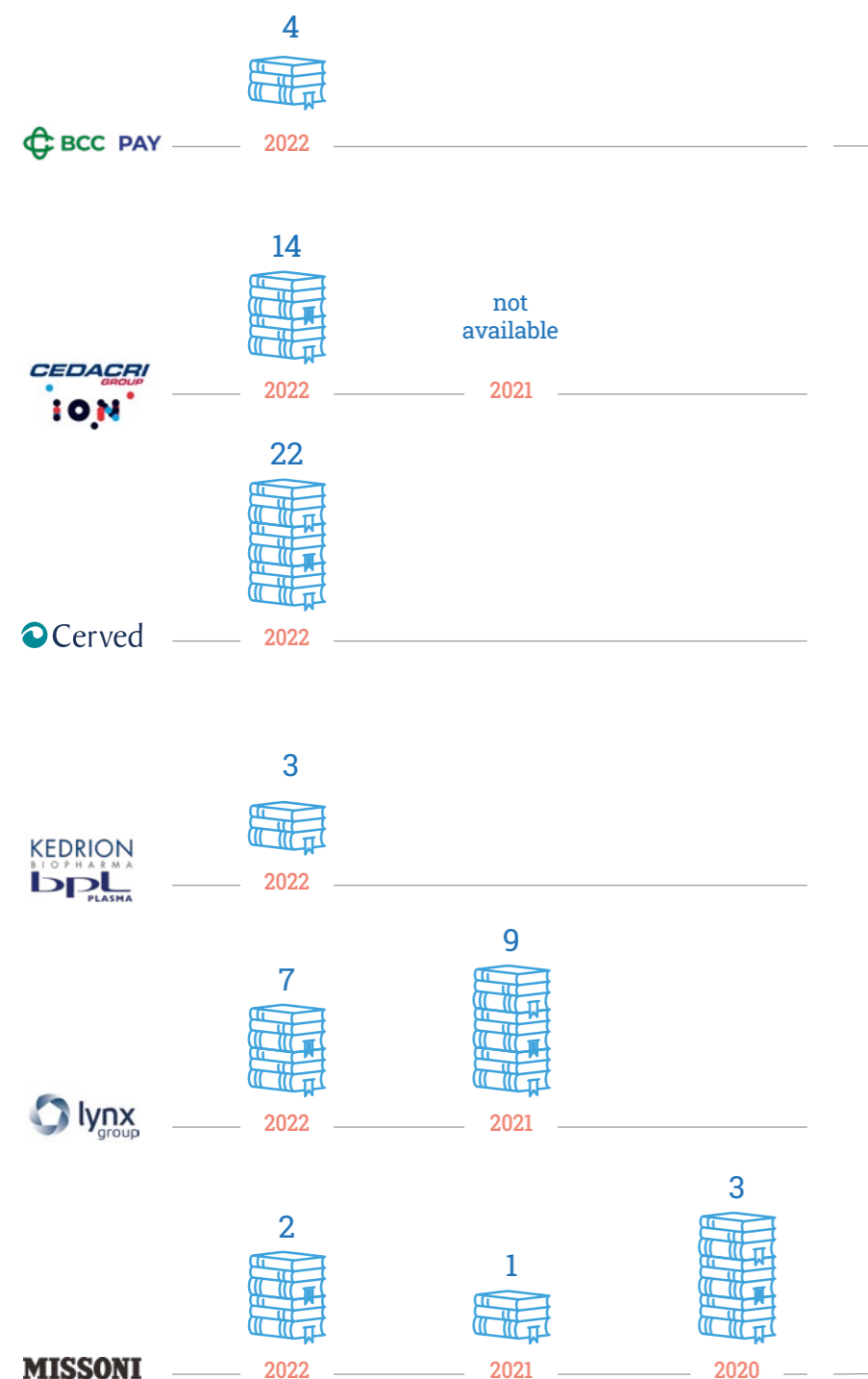
1. Like for like portfolio.
2. Unrealized portfolio companies as of year end 2022.

3. Portfolio companies unrealized as of the year 2022.

Training

FSI believes that a motivated and competent human capital is key to the success of business. Training and development of the human capital represents one of the topics deemed material for both the Management Company and the investment portfolio. FSI often organized trainings, also on ESG topics, and involves key people from portfolio companies, proving the willingness to empower both its employees and portfolio companies.

Average training hours

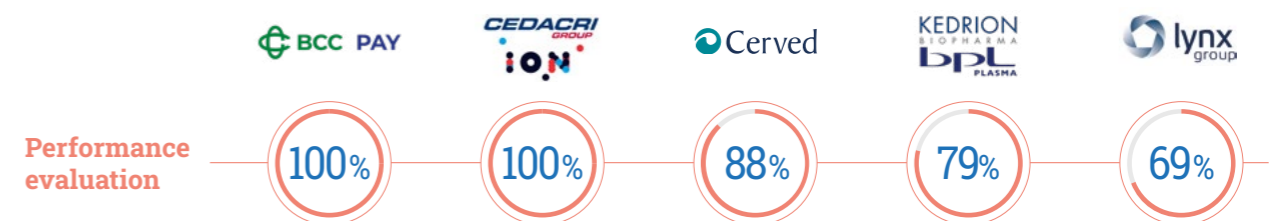


Performance evaluation

Performance evaluation represents a structured review of annual results in which the overall performance for the year is shared, based on the objectives achieved. This process enables to plan, defines, and manages career and succession plans which are in line with employee performance and expectations, and activities to support leadership development and ensure long-term retention.

Across the FSI portfolio, 83% of companies implement a periodic evaluation of their employees' performance.

Exhibit 6. % of employees subject to performance evaluation



Diversity, Equity and Inclusion in FSI portfolio companies

The importance of diversity and inclusion has become increasingly evident in recent years. Organisations that embrace diversity and promote inclusion create more stimulating, innovative, and productive work environments. DEI involves recognising and valuing individual differences, such as gender, age, ethnicity, sexual orientation, abilities and more. This inclusive perspective makes it possible to attract talent with a wide range of skills, experiences, and perspectives that fuel creativity and competitiveness.

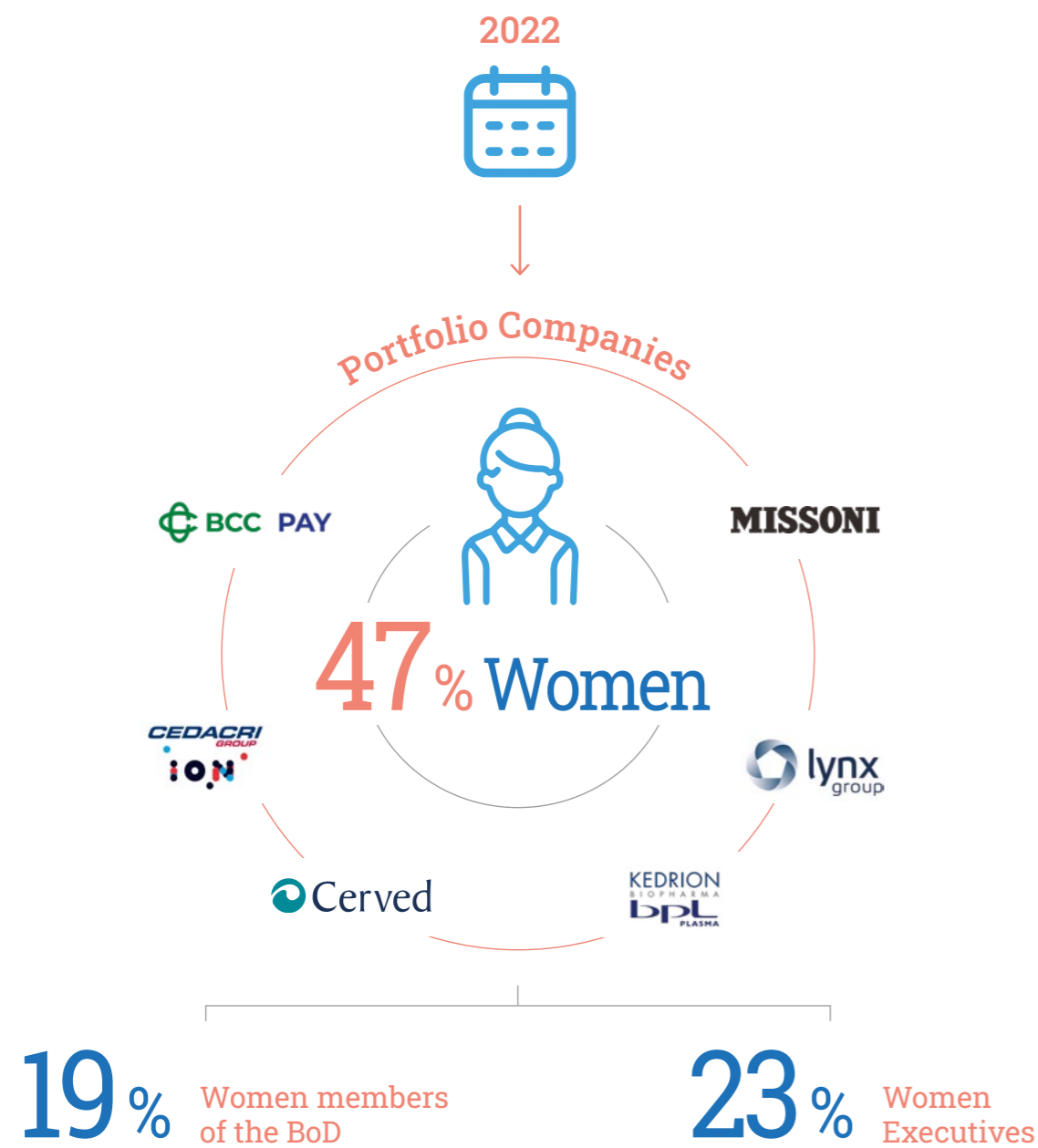
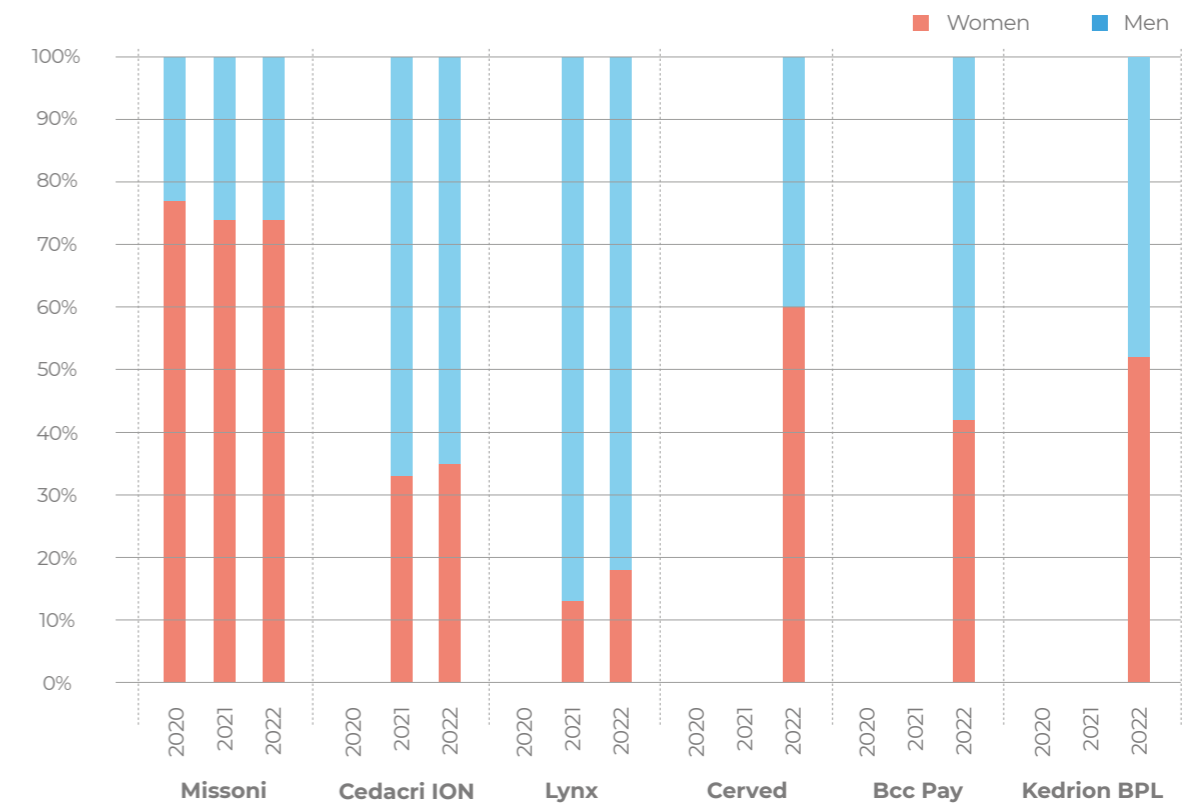
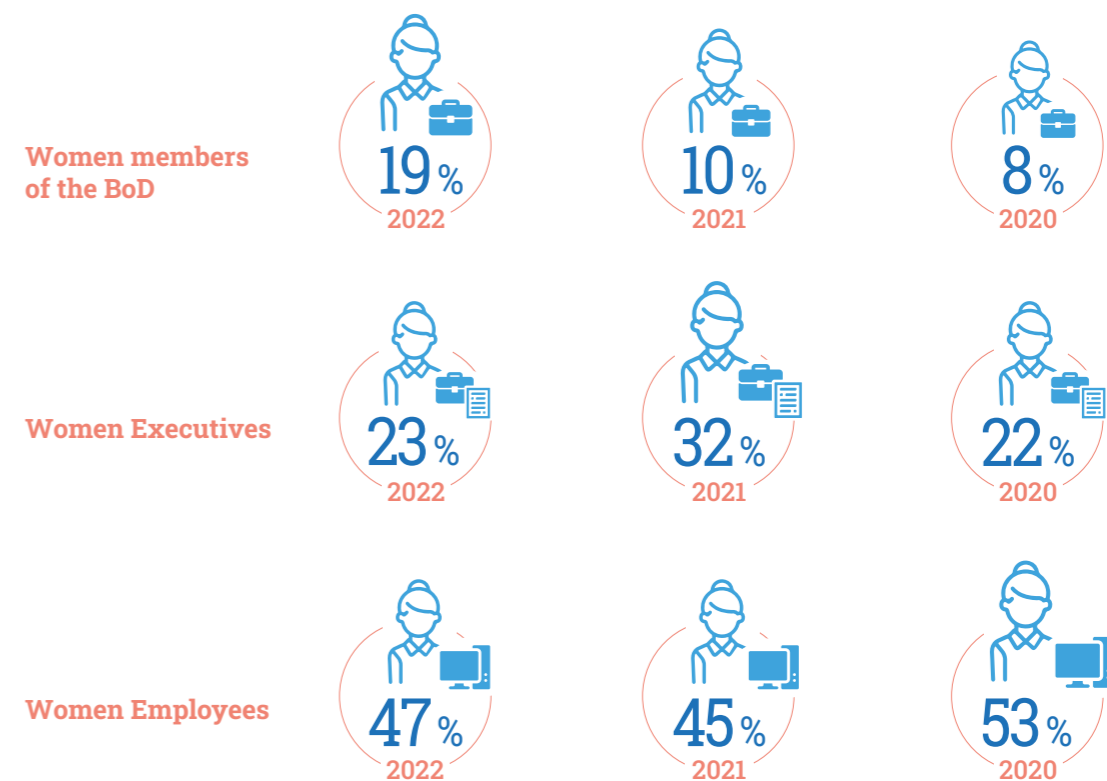


Exhibit 7. Women VS Men employees by gender in FSI portfolio companies



Women participation in Portfolio companies in the last three years

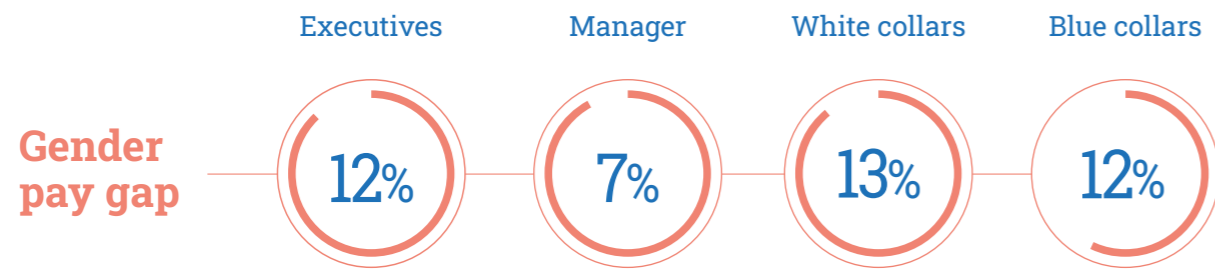


As an example, **Missoni** is committed to developing human capital and protecting workers from all forms of discrimination based on age, gender, sexual orientation, health, nationality, race, political affiliation, union membership or religion. Respect for equality is described in the Code of Ethics, which protects diversity in all decisions with an influence on stakeholder relations. Moreover, **Iccrea Group** develops a Policy on Diversity and Inclusion. The purpose of the document is to define the guidelines,

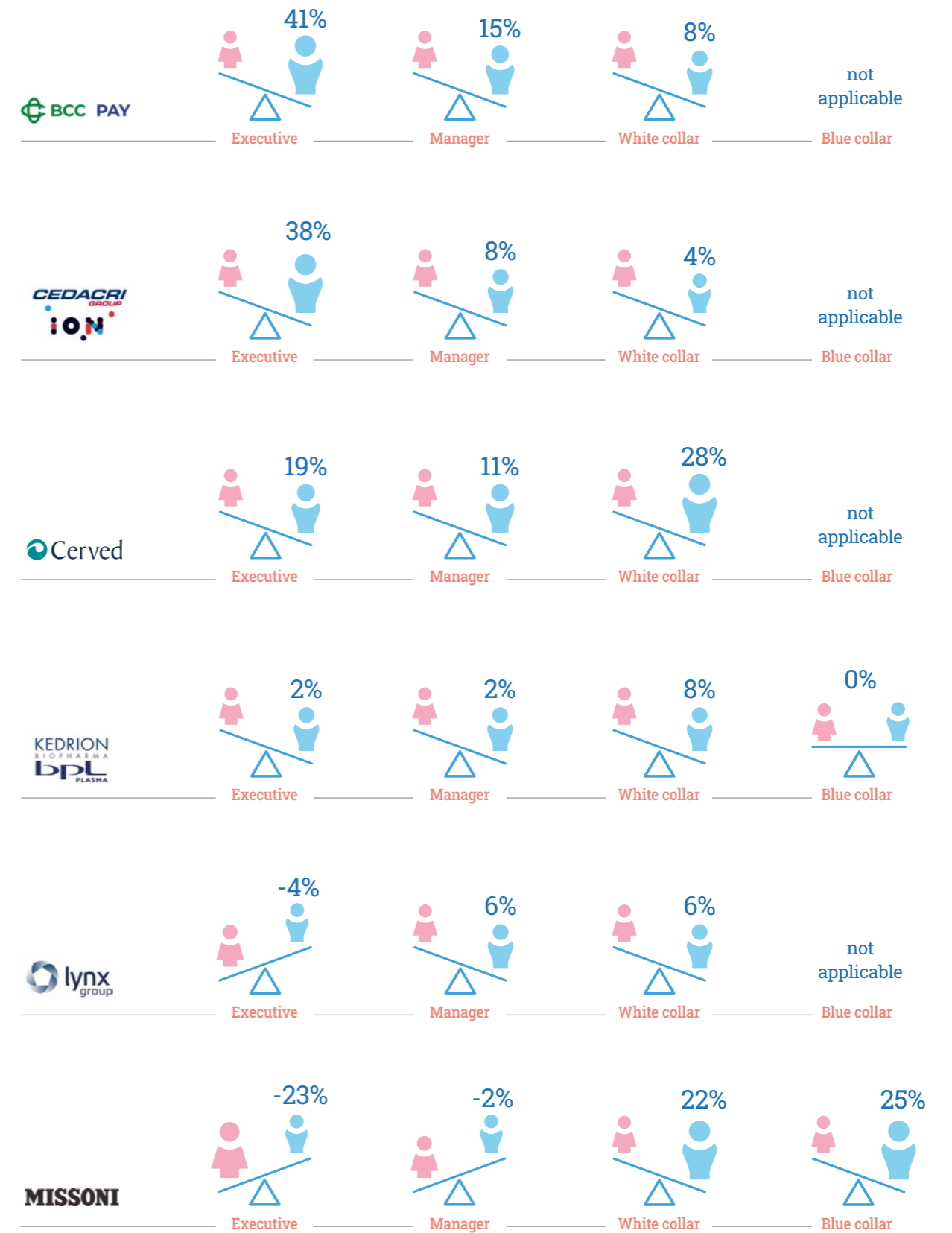
the reference principles and the commitments relating to the issues of Diversity and Inclusion for the Iccrea Group where, as elements of diversity, the Group considers gender, sexual orientation, age, ability, ethnicity, language, religion, political opinions, personal or social conditions and any other diversity to which this Policy intends to refer whenever reference is made to "elements of diversity".

The Gender pay gap is represented in the exhibit below:

Exhibit 8. FSI portfolio companies difference between average earnings of male employees compared to female



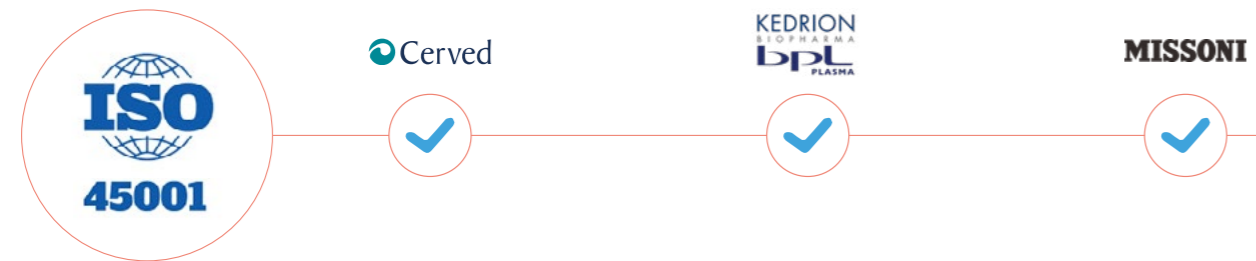
Gender pay gap



Health & Safety at portfolio companies

The safety and wellbeing of portfolio companies' employees is a key priority for FSI. Therefore, FSI ensures that each portfolio company has robust health and safety policies and procedures in place. All incidents are logged appropriately and acted upon. There is clear responsibility for health and safety and sufficient resources are dedicated to this area.

Certifications play a very important role in the construction and implementation of a healthy and safe workplace. Certifications, in fact, are useful tools for sustainable development, as the organizations that are certified make a concrete commitment to comply with high standards of health and safety.



During 2022, the injury rate across the FSI portfolio was equal to 0.9 on average, slightly higher if compared to the 2021 rate (0.8), considering the same composition of the portfolio as of 31 December 2021. The increase is due to new operational sites settled abroad, in countries where recordable injuries are registered according to the applicable laws and regulations.

FSI is committed to keep on monitoring health and safety performance of portfolio companies and to engage with these to raise awareness on the importance of a safe environment.



As anticipated, recordable injuries might be classified according to the locally applicable laws and regulations. Kedrion BPL's overall figure for 2022 is equal to 131. This is due to American law that applies to US BPL plasma collection center located in the US. American law is slightly stricter than European law, thus resulting in an increased overall figure.



FSI Health and Safety Day and Training

4. Both commuting injuries and injuries at the workplace were considered. Injury rates are calculated as N. of injuries / working hours * 200,000.

Portfolio companies Human Rights

FSI Code of Ethics strongly defends individual dignity and is committed to respect human rights regulations.

Zero violations of human rights were recorded in 2022 and in the previous two years

Kedrion BPL has also formalised its Anti-Slavery and Human Trafficking Policy, specifically related to having zero tolerance towards behaviours that may violate human rights both with regard to its staff and along the supply chain. Kedrion BPL respects (i) the Global Compact's Ten Principles on Human Rights, Labour, Environment and Anti-Corruption, (ii) the OECD Guidelines for Multinational Enterprises, (iii) the ILO (International Labour Organisation) Principles.

Working in a very sensitive area for the welfare of donors and recipients, Kedrion BPL has also drawn up a Global Ethics Policy with the aim of ensuring that the Group's entire workforce acts with the highest level of integrity.

At the heart of all Kedrion BPL's activities, of all its design, research, development and distribution, is plasma. Plasma comes from people, who voluntarily give this precious resource, through which other people can live better lives.

The protection and education of donors is entangled in the Kedrion BPL business model. In addition to the abovementioned international principles respected by the Company, Kedrion BPL has been SA8000 certified



since 2004 and has adopted a SA8000 Manual which summarises the principles of the Standard and describes the entire Social Responsibility Management System adopted by the Company. Kedrion BPL is also ISO 26000 certified, proving the true interest for fostering the social responsibility all along its operations. The Company's commitment is conducting a business in the most ethical way.

The Company is aware of the importance of its donors. Therefore it is committed to ensure a favourable and welcoming environment for all of them. Kedrion BPL partners with the Italian Health System to foster self-sufficiency in human plasma, seeking to increase donor participation by making donation easy, com-

fortable and safe and by educating donors about how they can donate responsibly.

In line with the Code of Ethics, the Iccrea Group has adopted the "Human Rights Chart" to promote and guarantee the protection of human rights, in respect of national and international regulations.

In a different industrial sector, though quite sensitive like the fashion industry, Missoni made it binding for its suppliers to undersign the Company's Code of Ethics to ensure the respect of human rights also along the supply chain.



During 2022, 100% of Missoni suppliers subscribed the Company Code of Ethics



6

CHAPTER

Environmental Impact

The FSI environmental footprint

FSI is committed to evaluate its direct environmental footprint and focuses on saving energy and promoting environmental protection among its stakeholders. Even though the Management Company's business does not have significant impacts in terms of energy consumption and emissions generation, FSI is committed to constantly monitor its environmental footprint and raise the awareness of its employees on these topics.

FSI direct operations have a modest impact on the environment, as the Company has chosen to move in the centre of Milan to an environmentally certified building, that had been recently restored and acknowledged as Gold-medal Leed® certified building. Nonetheless, improving the environmental performance is a priority for FSI, considering the Company commitment to constantly monitoring and evaluating processes and operations to identify opportunities for improvement.



During 2022, FSI relocated to a LEED Gold certified building

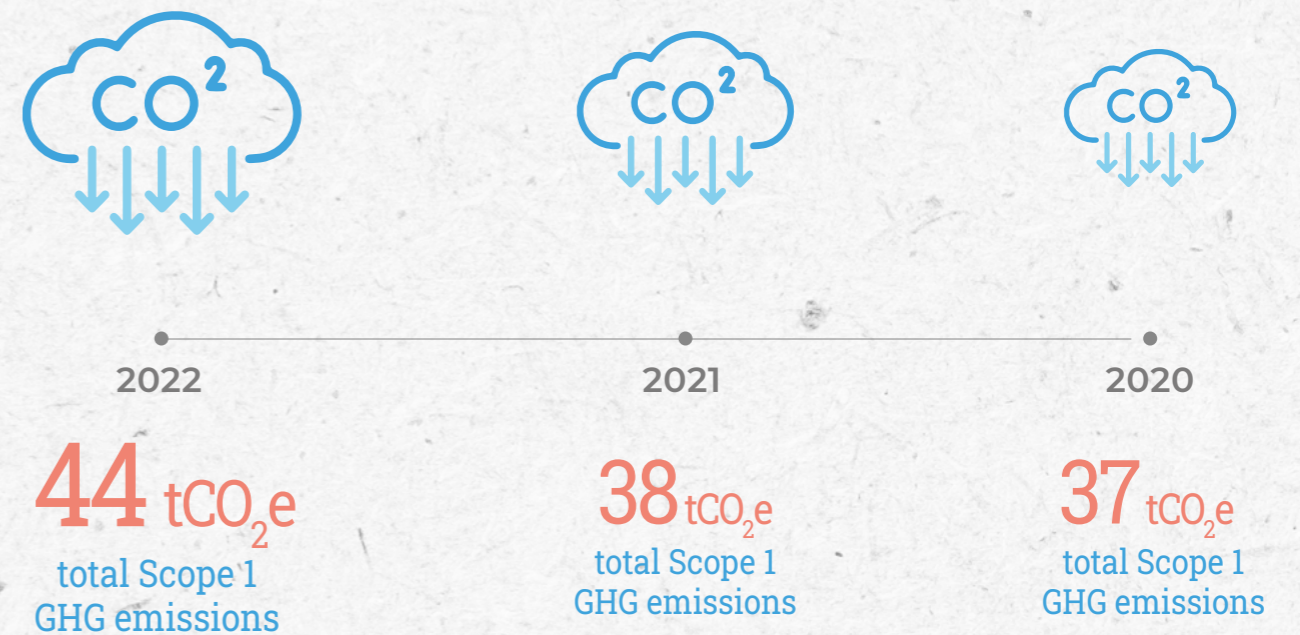
The refurbishment included the installation of new LED light fittings, that compared with the former LED fittings, will last longer, and will continue to operate at 100% output until they fail, reducing non recyclable waste over time. FSI also continues to develop its data collection system to better quantify the savings obtained.

With reference to energy consumption, in 2022, it remained quite stable against 2021. It reached approximately 1,000 GJ, slightly increasing compared to 2021 (878 GJ). As of 2021, in consequence of the pandemic, office utili-

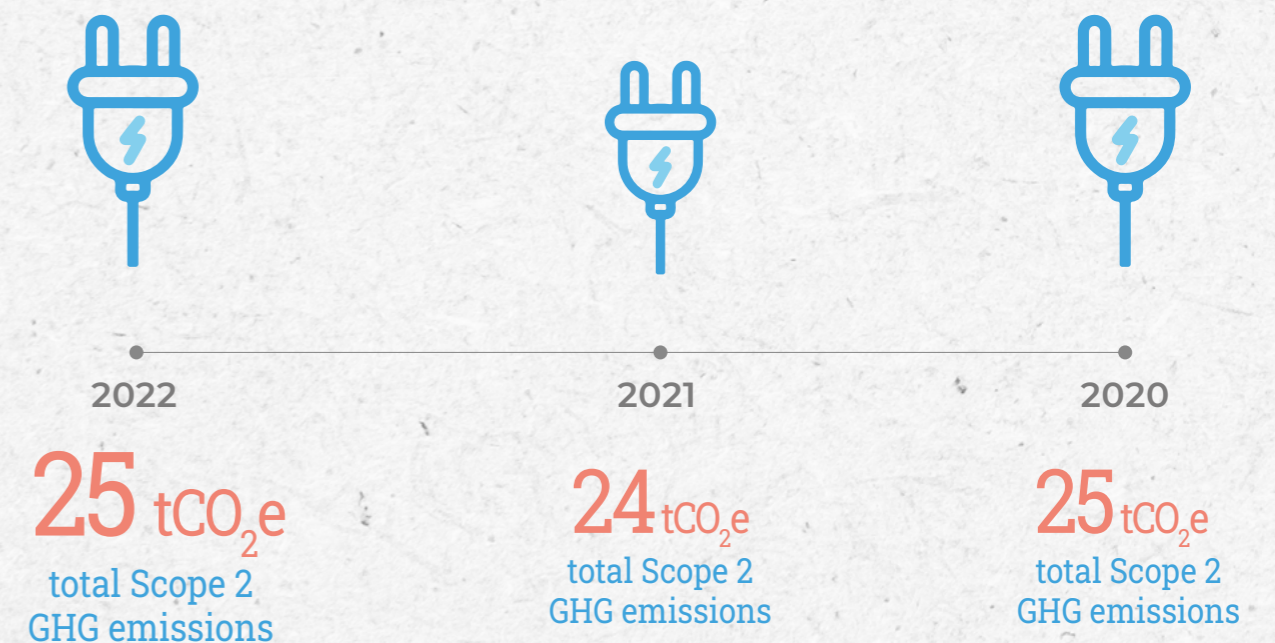
zation was very low against standard rate. The need to contain the spread of COVID-19 led many employees to opt for private rather than public transport. Accordingly, to staff increase and promotions, the company fleet was enlarged and there was an increase in energy use.

The related impact in terms of Scope 1 and 2 GHG emissions was about 69 tCO₂e, slightly higher than in 2021 (62 tCO₂e). Scope 2 GHG Emissions are calculated based upon a location-based methodology.

Scope 1 GHG emissions - Fleet



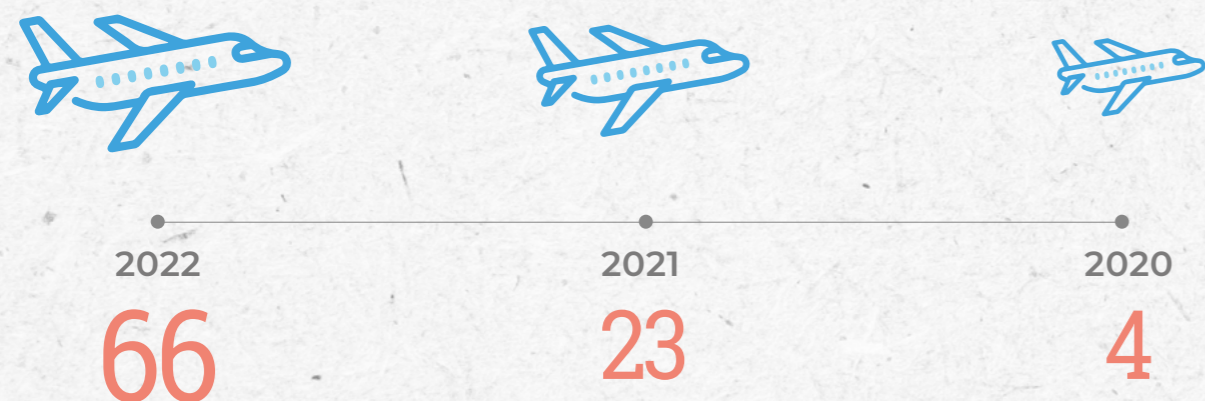
Scope 2⁵ GHG emissions - Electricity



⁵ Scope 2 GHG Emissions are calculated based upon a location-based methodology.

FSI also monitors the other indirect GHG emissions (Scope 3) originated by business trips – mainly done by train and airplane. In 2022, Scope 3 emissions were equal to 66 tCO₂e, increasing by 187% compared to 2021 (23 tCO₂e). This is the effect of the travelling due to periodic visits to the portfolio companies, target companies, and - in addition to this ordinary activity - the need to travel internationally because of the FSI II fundraising activities. Global travel in fact is needed in order to meet with potential investors and stakeholders from all over the world. Moreover, business trips data related to 2020 and 2021 were strongly affected by the Covid-19 pandemic emergence, which reduced significantly the number of travels made by the FSI team.

Scope 3 GHG emissions - Business trips



With reference to waste management, FSI approach is oriented towards materials reduction, recycling and reuse practices in daily routine.

In fact, at FSI every category of waste is collected separately and ready to be recycled, for instance, paper, plastic, glass, and organic waste. The most relevant category of non-recyclable material is PC and devices. They all undergo refitting for re-use programme for charity initiatives.

With regard to quality of paper, FSI uses 100% recycled and FSC-certified paper. Furthermore, to reduce the number of printouts, FSI introduced Microsoft 365 throughout the organisation, thus enabling document sharing and reducing need for printed copies. FSI also:



improved waste recycling facilities to align them with the recycling activity carried out by landlord's waste management provider, and has carried out an awareness campaign to encourage the full use of these facilities



made reusable take-away coffee cups available to all employees



installed still and sparkling filtered water dispensers, eliminating plastic water bottles



introduced new compostable cups and lids for use in our cafeterias



made metal cutlery available in the cooking centres to reduce the use of plastic cutlery



Portfolio environmental footprint

Reporting about the environmental impacts of portfolio companies has become increasingly relevant to contribute to tackling of adverse climate change and to global sustainability.

After the issuance of SFDR Regulation, (EU 2019/2088), Investors and organizations have started recognizing the need to assess not only their financial performance, but also the environmental impacts generated by themselves and by the companies they invested in (i.e. financed emissions). Reporting on

environmental impacts makes it possible to quantify the effect of corporate activities on carbon stocks (CO₂), natural resources and the ecosystem on earth and under the sea. Progressively, investors are increasing their ability to make informed and responsible decisions to reduce the overall environmental impact of their own portfolios. FSI portfolio companies have implemented specific policies, procedures and certifications in the environmental sphere.

Kedrion BPL, Lynx and Cerved hold environmental certifications (ISO 14064, ISO 14001, EMAS Regulation)

Cerved has drawn up its Environmental Policy. The company is committed to making more efficient use of resources, favouring the use of recyclable materials, reducing paper consumption, the use of plastic and separate waste collection. The Company has also obtained the ISO 14064-1 certification.

During 2022, Cerved was included in the ranking of the 100 greenest and most eco-friendly companies drawn up by Corriere della Sera and Pianeta 2030

In addition, **Kedrion BPL** has adopted a Global EHS Policy, which incorporates the principles, the ambitions and the main activities made by the Company in the environmental field.

Across FSI portfolio, GHG emissions production can be summarized as follows:

Scope 1, 2, 3 GHG Emissions of each portfolio company⁶



6. Scope 2 GHG Emissions are calculated basing on a location-based methodology.

FSI encourages portfolio companies to embrace a path towards a more precise and meticulous monitoring process of their carbon footprint.

Across the portfolio, Scope 1 GHG Emissions are mainly related to fuels consumed to power company fleets and natural gas used for office heating purposes. Emissions in scope 2 are the main quota represented in overall CO₂ portfolio emissions (considering that Scope 3 emissions in most of the cases are not calculated) meaning that sourced energy should be increased

from renewable energy sources, in order to start decarbonizing their activities, or even better to increase self-produced photovoltaic electricity. Scope 3 GHG emissions are monitored by few portfolio companies and are referred to business trips.

A virtuous example is given by **Lynx**, which obtained ISO 14064 certification, a standpoint in demonstrating its ability to manage environmental impact reduction and specifically, its GHG emissions.



In 2022 Lynx switched to 100% renewable certified electricity

This reflects in a reduction of Lynx market-based Scope 2 GHG emissions from 59 tCO₂e during 2021 to 0 tCO₂e during 2022.

Cerved purchased 81% of the electricity from renewable energy sources, and started installing photovoltaic power generation panels for self-production at the Mangone site. This plant has an estimated annual capacity of about 500 MWh that would offset over 75% of the site's consumption.

As a result, in 2022, Cerved avoided the emission of about 1,168 tonnes of CO₂e thanks to

the use of renewable energy.

In addition Cerved, reduced its electricity by 7% compared to 2021 as a result of data center energy efficiency initiatives. In particular, Cerved has adopted specific measures:

- Massive decommissioning of obsolete server systems in the Collecchio and Castellazzo data centers (around 260 physical servers);
- Optimization of room space;
- Reduction of consumption due to the introduction of new technologies in a higher energy class.

At portfolio companies level, 20% of total energy was derived from renewable sources, representing an 11 against 2021 (18%).

FSI promotes waste recycling and circularity across its portfolio companies, monitoring the trends in hazardous waste production.

During 2022, across the FSI portfolio, about 86% of waste produced was recycled with an increase of +21% compared to the 2021 recycled waste share (71%).



Lynx signing

Total energy consumption

FSI portfolio



20%

energy from renewable sources

20%

18%



+11%



2022

2021

Total waste recycled

FSI portfolio



86%

86%

71%

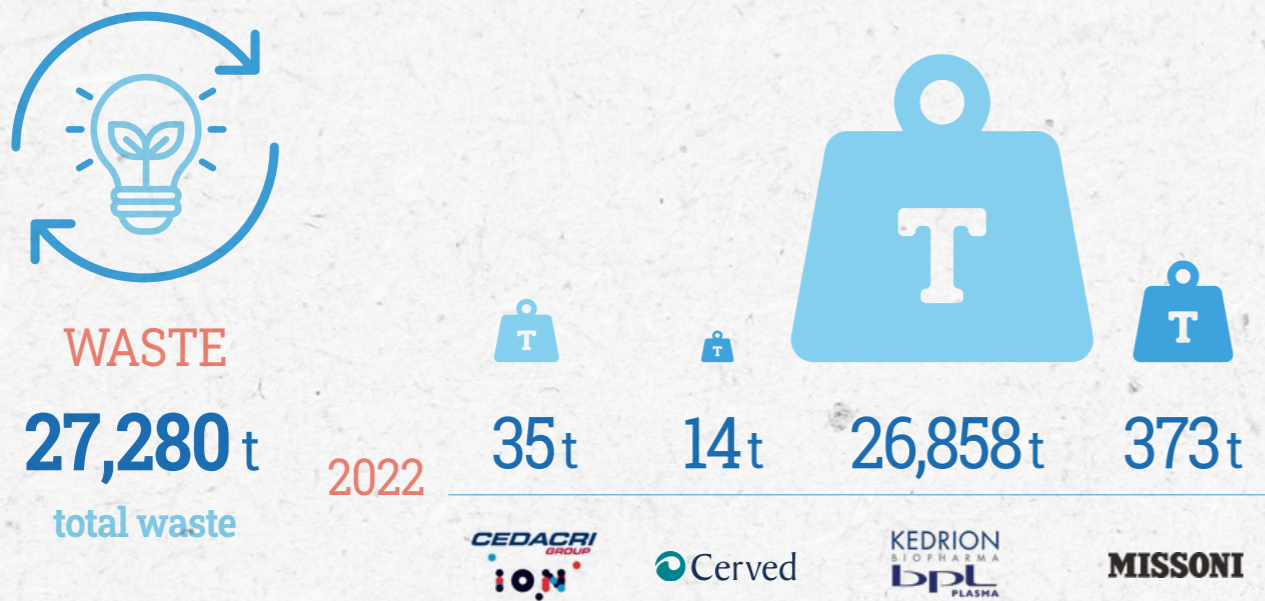


+21%



2022

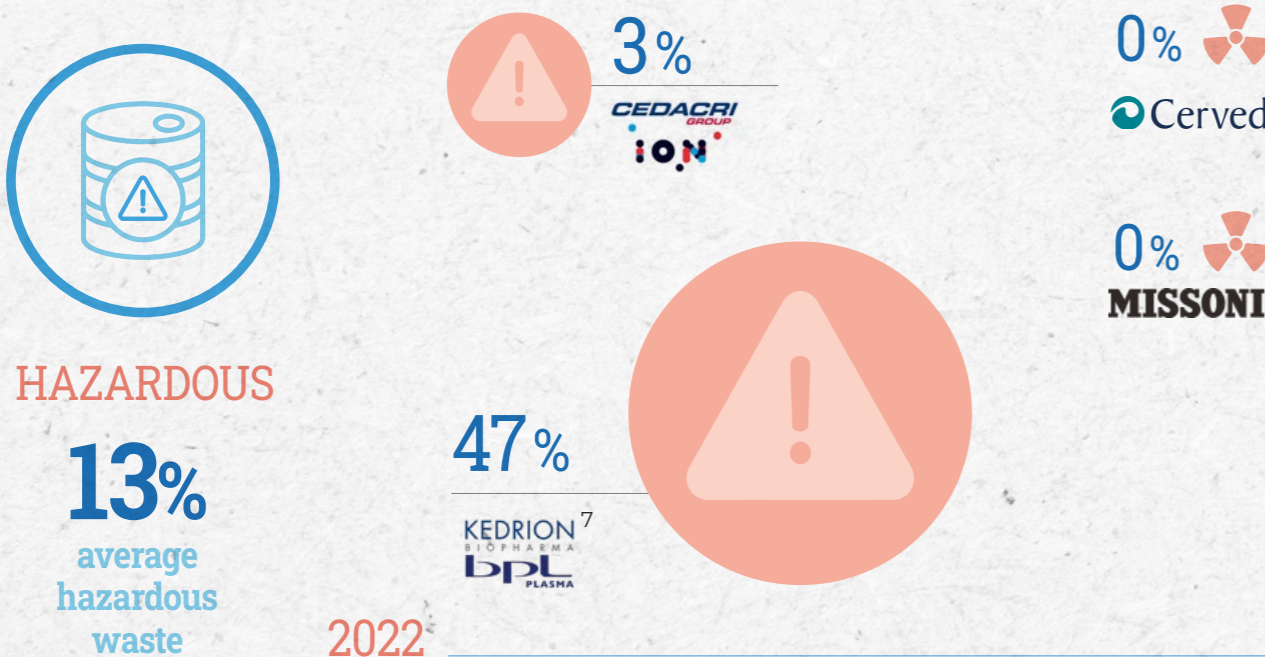
2021



*BCC Pay and Lynx not available



*BCC Pay and Lynx not available



*BCC Pay and Lynx not available

7. In particular, with reference to Kedrion BPL, the significant production of hazardous waste is linked to the disposal of alcoholic wastewater, which is typical of the company's business. However, 34% of the hazardous waste produced is recycled, meaning that waste production is addressed through disposal mechanisms.

With reference to the usage of natural resources by portfolio companies, during 2022 water withdrawal was equal to 1,794,279 m³. It should be noted that water is not withdrawn from high water stress areas by FSI portfolio companies.

Still, none of the portfolio companies have already a biodiversity policy in place for their HQ and operating sites. Only two portfolio companies have plants nearby key biodiversity areas, one of which is close to a natural reserve and the other is within the borders of the Reserve, though it is a sourced plant.

7

CHAPTER

Global PE Alliance



Global PE Alliance

The Global PE Alliance is a group of nine private equity firms, each of which is a top tier player in its respective geography. Together, these firms enhance their global mid-market capabilities and connectivity. With eight times the investment and business building experience of the average mid-market firm, the Global PE Alliance Ltd is a specialist in experience-sharing of its member firms, that combines expertise and resources to benefit all parties. By applying the "best from the best", the Alliance serves its portfolio companies and investors in the most effective way.

The Alliance Mission is to deliver "the greatest value to the greatest number of Partners, with the minimum time invested."

To achieve this goal, the Alliance pools its global network of people, including executives and non-executives, consultants, head-hunters, legal, financial, operational, and environmental advisors, and other experts. The Alliance also combines sector expertise on a shared

database of the 350 investments completed to date, sharing pipelines and providing support from sourcing through deal completion. The Alliance also shares specific and detailed experience in driving value in the portfolio.

In addition to its other services and best practices on sustainable climate change and other topics, the Alliance members develop periodical initiatives fundraising and networking with Investors.

Every year, a three-day Partner meeting is held to exchange best practices and maintain a competitive edge.

Moreover, a tailored executive program called the HBS-Alliance Academy has been created for all 150 global private equity professionals. It spans three days and aims to provide value added training.



Global PE Alliance, Annual meeting 2022

The Alliance provides high quality investment network, training and best practices benchmarking



8

CHAPTER

FSI for the Community

FSI for the Community

Our charitable activities focus mainly on the disadvantaged, on young people and on education.

Ordinary Charitable giving

We support several charities we partner based on the effectiveness and impact of their campaigns.

Bocconi



Bocconi University

FSI supports the "Women Award" project of Bocconi, supporting two Master's degree paths for two deserving female students admitted to the Master's degree program (MSc) for the academic year 2022-2023 and enrolled in more quantitative degree courses such as: MSc in Finance, MSc in Economics and Social Sciences (ESS), MSc in Data Science and Business Analytics (DS&BA), MSc in International Management (IM), MSc in Economics and Management of Innovation and Technology (EMIT).

Chaire Gynai Empowerment

The "Chaire Gynai" project is a semi-autonomous project based on hospitality, protection, promotion, and integration for migrant and refugee women in defining paths of autonomous life and processes of citizenship and social inclusion. An interdisciplinary team of professional, religious, and volunteer figures accompanies and guides women towards their integration into the territory regarding work, education, health, and other issues related to city living.

"Cooperativa Tempo per l'Infanzia"

The cooperative has consolidated its activities on services for promoting the well-being of minors, supporting parenthood, training for social workers and teachers, and environmental education. The activities aim to prevent social distress and school dropout, enhance the support and guidance skills of young people in a complex society, stimulate the potential of reference adults, creativity, and resources of the entire educational context (family- school-territory), social and environmental sustainability.



Fondazione Rava

"Borse del Cuore" (literally "Heart's Bags"). With the "Borse del Cuore" project, the Francesca Rava Foundation concretely helps many young people, supporting them in their social re-integration with study and professional training programmes. The "Heart's Bags" represent a journey of self-discovery and one's own abilities, orientation, training, and employment for young people who are in a transition phase towards full autonomy. The project targets young people from 17 years old welcomed in.





Level 20

During 2021 FSI became a Full Member and Sponsor of Level 20, which is a European non-profit organization founded with the aim of improving gender diversity in the private equity industry. The ambition of the organization is for women to hold at least 20% of senior positions in private equity and to work with industry leaders to make the changes necessary for diversity and inclusion to expand. The organization has the aim to help women succeed by providing support and facilitating the sharing of insights and experience.



LILT Melanoma Tour 2022

FSI supported the Prevention Charity Tour. A mobile clinic and five appointments to remind everyone, even in 2022, of the importance of putting health at the centre. Thanks to FSI, from 24th to 28th May, free prevention visits for skin cancer were possible on board the mobile clinic.

FSI Strategic Champions

We believe that sport is a source and engine of social inclusion, it is an excellent tool for the integration of minorities and groups at risk of marginalisation. The educational principles and values from sport practice are: (i) respect, (ii) collaboration, (iii) result, (iv) integration and belonging, (v) discipline and constancy, (vi) commitment and sacrifice, (vii) excellence.

FSI believes that the passion of young people for sports can become an effective opportunity for cohesion, inclusion, and social redemption. This is demonstrated by the commitment of the entire FSI team to the "Palla al Centro" project launched by Francesca Rava Foundation together with Cesare Beccaria juvenile detention centre in Milan, which aims to create paths of rebirth for young detainees. As part of the "FSI Strategic Champions" project, during the 2022, FSI Team and Fondazione Francesca Rava invited Luigi Busà (Olympic gold medallist in the men's kumite -75kg) as testimonial at the "Cesare Beccaria", juvenile prison of Milan to share his difficult life experience and how sport saved his life.

FSI is committed to promoting the achievement of the Sustainable Development Goals (SDGs) defined by the United Nations within the Agenda 2030 also through the "Strategic Champions" project, promoting in particular: SDG 3; SDG 8; SDG 11.



Villa Necchi Campiglio, Investor Day 2022

Nicolò Renna - Sail iQFOiL, Simone Alessio - Taekwondo, Tommaso Marini - Fencing, Silvia Salis - Vice President Coni, Maurizio Tamagnini - CEO FSI, Nicola Bartolini - Artistic Gymnastics, Sofia Raffaelli - Rhythmic Gymnastics, Luigi Busà - Karate, and Jacopo Volpi - Journalist.



Ensure healthy lives and promote well-being for all at all ages



Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all



Make cities and human settlements inclusive, safe, resilient, and sustainable



Ukraine emergency donation

In March 2022, FSI donated an amount to Fondazione Francesca Rava working with partners on the ground in Ukraine to reach vulnerable children and families with essential services.

In 2022, FSI supported the Scalabrini Missionary Sisters in their reception project in Rome (at the General House) of 10 Ukrainian girls without families. The work of the sisters is very virtuous. In the initial phase, they take care of the primary needs (accommodation and food), and immediately after, they organise both psychological supports to work on war traumas and a path of integration and vocational training (second-level reception).

Vidas

FSI supports VIDAS, an association that defends the right of the patient to live their last moments of life with dignity. It provides complete and free socio-sanitary assistance to adults and terminally ill children at home, in the VIDAS hospice, for hospitalisation and day-hospice, and in Casa Sollievo Bimbi. In Italy, there are over 500,000 people affected by incurable diseases, of which 32,000 are children.

Thanks to VIDAS volunteers, the association guarantees home and hospice assistance to more than 2,300 people and their families every year.



Wamba

Since 2017, Wamba has been operating through the NeMO Clinical Centres, centres of excellence for the assistance and care of children and adults affected by degenerative neuromuscular diseases. These are serious and disabling conditions such as SMA (spinal muscular atrophy), ALS (amyotrophic lateral sclerosis), and muscular dystrophy. Often, as the disease progresses, patients need to use aids to help them breathe. With the support of FSI in 2022, it was possible to purchase a small respirator to allow patients to undergo diagnostic tests (MRI) without having to disconnect from the machines that help them breathe.



9

CHAPTER

Appendix

GRI Content Index

Statement of use FSI SGR S.p.A. has reported the information cited in this GRI content index for the period 01/01/2022 – 31/12/2022 with reference to the GRI Standards.

GRI 1 used GRI 1: Foundation 2021

GRI Standard	Disclosure	Reference page		
		FSI SGR S.p.A.	Portfolio companies	
GRI 2: General Disclosures 2021 version	2-1	Organisational details	6-7, 10-13	-
	2-2	Entities included in the organisation's sustainability reporting	10-17, 92	-
	2-3	Reporting period, frequency and contact point	92	-
	2-4	Restatements of information	92	-
	2-5	External assurance	N/A	-
	2-6	Activities, value chain and other business relationships	6-7, 16-17, 74-75	-
	2-9	Governance structure and composition	24-25, 29-30	-
	2-11	Chair of the highest governance body	29	-
	2-12	Role of the highest governance body in overseeing the management of impacts	24-30	-
	2-13	Delegation of responsibility for managing impacts	30	-
	2-14	Role of the highest governance body in sustainability reporting	30	-
	2-16	Communication of critical concerns	30	-
	2-19	Remuneration policies	25	-
	2-22	Statement on sustainable development strategy	5	-
	2-23	Policy commitments	29-30, 40-43	-
	2-24	Embedding policy commitments	29-30, 40-43	-
	2-27	Compliance with laws and regulations	30	-
	2-28	Membership associations	78-85	-
	2-29	Approach to stakeholder engagement	28, 92	-

GRI Standard	Disclosure	Reference page		
		FSI SGR S.p.A.	Portfolio companies	
GRI 3: Material Topics 2021	3-1	Process to determine material topics	28	-
	3-2	List of material topics	28	-
Community relations and philanthropy				
GRI 3: Material Topics 2021	3-3	Management of material topics	28, 78-85	-
Independence in governing bodies				
GRI 3: Material Topics 2021	3-3	Management of material topics	28, 29	33
Energy consumption and GHG emissions				
GRI 3: Material Topics 2021	3-3	Management of material topics	28, 60-64	28, 65-69
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	60-61	65-69
	305-2	Energy indirect (Scope 2) GHG emissions	60-61	65-69
	305-3	Other indirect (Scope 3) GHG emissions	62-63	65-71
Management of water use				
GRI 3: Material Topics 2021	3-3	Management of material topics	28, 60	28, 71
GRI 303: Water and Effluents 2018	303-3	Water withdrawal	-	71
Training and development				
GRI 3: Material Topics 2021	3-3	Management of material topics	28, 40-41	28, 44-49
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	41	48
	404-3	Percentage of employees receiving regular performance	41-42	49
GRI 401: Employment 2016	401-1	New Employee Hires and Employee Turnover	40-41	44-45
Employee health and safety				
GRI 3: Material Topics 2021	3-3	Management of material topics	28, 42	28, 54

GRI Standard	Disclosure		Reference page	
			FSI SGR S.p.A.	Portfolio companies
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	42	54
Diversity, inclusion and non-discrimination				
GRI 3: Material Topics 2021	3-3	Management of material topics	28, 43	28, 50-53
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	29, 43	33, 50-53
	405-2	Ratio of basic salary and remuneration of women to men	-	53
Business ethics, integrity and transparency				
GRI 3: Material Topics 2021	3-3	Management of material topics	28, 30	28, 32-35
GRI 205: Anticorruption 2016	205-2	Communication and training about anti-corruption policies and procedures	30	34-35
	205-3	Confirmed incidents of corruption and actions taken	30	34
Cybersecurity and data privacy				
GRI 3: Material Topics 2021	3-3	Management of material topics	28, 36-37, 41	28, 36-37
Management of waste and hazardous materials				
GRI 3: Material Topics 2021	3-3	Management of material topics	28, 62-63	28, 69-71
GRI 306: Effluents and Waste 2020	306-3	Waste generated	-	69-71
	306-4	Waste diverted from disposal	-	69-71
	306-5	Waste directed to disposal	-	69-71
Impact on the ecosystem and biodiversity				
GRI 3: Material Topics 2021	3-3	Management of material topics	28	28, 71
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-	71

GRI Standard	Disclosure		Reference page	
			FSI SGR S.p.A.	Portfolio companies
Human rights				
GRI 3: Material Topics 2021	3-3	Management of material topics	28	28, 56-57
Systemic risk management and business resilience				
GRI 3: Material Topics 2021	3-3	Management of material topics	28, 10-13	28, 10-13
Responsible supply chain management				
GRI 3: Material Topics 2021	3-3	Management of material topics	28	28, 56-57

Methodological Note

The ESG Impact Report 2022 of FSI SGR S.p.A. is a voluntary non-financial reporting document. Regulatory provisions currently in force regarding non-financial reporting do not envisage any obligation to disclose for the Company. For this reason, the document was not subject to external Assurance.

This is the fourth non-financial reporting document issued by FSI, in order to report about the progress in its ESG trajectory, as well as to facilitate the stakeholders' understanding of the Company and its portfolio commitment to ESG objectives.

The Report is based on data collected internally and from the portfolio companies, with the sole exception of Cerved whom data were acquainted from its 2022 Sustainability Report published on its website.

Its content relates to the sustainability performance recorded during the reference financial year (January, 1st - December, 31st, 2022). The portfolio companies' ESG performance considered within the scope of this report refer to: Cedacri ION, Kedrion BPL, Missoni, Lynx, BCC Pay, and Cerved.

For comparison purposes, data related to the fiscal years 2021 and 2020 have been presented with reference to the portfolio composition at that time, which is for 2021: Cedacri ION, Kedrion, Missoni, Lynx, and Lumson, and for 2020 was Cedacri, Kedrion, Missoni, and Lumson.

With reference to the Social impact section, employees data are presented with reference to the consolidated entities.

The topics covered in this document were deemed to be material following a materiali-

ty analysis carried out in order to implement the responsible management of FSI's internal operations and its investment activities. The importance of the sustainability topics was therefore considered in terms of FSI corporate sustainability and of sustainable portfolio management. FSI Management, the portfolio companies' and FSI's main stakeholders, such as investors, were directly involved in this analysis. The importance of the topics, assessed during preparation of the previous Impact Reports, was also confirmed when preparing this year's Report and updated during 2022 by adding another material topic for what concerns the investment portfolio: cybersecurity and data privacy.

Moreover, during 2022 FSI exited the Kedrion investment and made a new investment in the combination of Kedrion and Bio Products Laboratory (BPL), one of the global leaders active in plasma-derived products with a strong presence in the U.S.

As disclosed within the GRI Content Index, KPIs were reported with reference to Global Reporting Initiative (GRI) Standards 2021. For what concerns aggregated portfolio KPI, with specific reference to the Portfolio carbon footprint, the KPI was calculated in accordance with the prescriptions provided by the Technical Annex I to EU 1288/2022 Regulation⁸. For BCC Pay and Cerved GHG emissions include Scope 1, 2 and 3; for Kedrion BPL, Lynx, Cedacri ION and Missoni GHG emissions include Scope 1 and 2 (being Scope 3 not available).

This document was prepared in cooperation with KPMG Advisory S.p.A.

Contacts

For further information on the contents of this Sustainability Report, please contact:

Sabrina Cirillo
ESG Director

FSI SGR SpA
email: sabrina.cirillo@fondofsi.it

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8.
$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{investee company's enterprise value}_i} \right) \times \text{investee company's Scope 1, 2 and 3 GHG emissions}_i$$

current value of all investments (€M)



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