



SUSTAINABILITY  
POLICY  
ESG

## Table of contents

<b>1. Introduction</b>	<b>3</b>
<b>1.1 Ersel's goal</b>	<b>3</b>
<b>1.2 Sustainability Policy</b>	<b>3</b>
<b>2. Scope of application</b>	<b>3</b>
<b>3. The application of sustainability principles</b>	<b>4</b>
<b>3.1 Towards customers</b>	<b>4</b>
<b>3.2 Towards partners</b>	<b>4</b>
<b>3.3 Towards suppliers</b>	<b>4</b>
<b>3.4 Towards competitors</b>	<b>4</b>
<b>3.5 Towards employees and collaborators</b>	<b>4</b>
<b>3.6 As workers</b>	<b>5</b>
<b>4. ESG factors for the Group</b>	<b>5</b>
<b>4.1 Environmental</b>	<b>5</b>
<b>4.1.1 Direct impacts</b>	<b>5</b>
<b>4.1.2 Indirect impacts</b>	<b>6</b>
<b>4.2 Social aspects</b>	<b>6</b>
<b>4.2.1 Employees and collaborators</b>	<b>6</b>
<b>4.2.2 Social commitment</b>	<b>6</b>
<b>4.3 Governance</b>	<b>7</b>
<b>5. External communication</b>	<b>9</b>
<b>6. Update</b>	<b>9</b>



## 1. Introduction

This document is intended to illustrate Ersel's approach to sustainable development, in accordance with guidelines shared by all managers and employees of Group companies, aimed at encouraging high standards of corporate governance and good management of environmental and social risks.

### 1.1 Ersel's goal

Our goal is to create value for our customers and to promote harmonious growth in the social environment. We work steadily in order to represent, also in the future, a point of reference for our customers and more generally for the social fabric of the territory, and to strengthen the bond of mutual trust that we have built over more than 80 years.

### 1.2 Sustainability Policy

The principles of environmental, social and governance sustainability (hereinafter also referred to as "ESG") play an increasingly important role in our daily operations, in the conviction that financial results must go hand in hand with collective well-being. The set of these principles is defined as the Sustainability Policy.

Their respect, together with the values of loyalty, professionalism, honesty, competence and transparency already referred to in the Code of Ethics, is essential for the creation of value in the short, medium and long term, both within the Ersel group and towards those with whom Ersel enters into relations during its activities.

The Group is committed to incorporating its Sustainability Policy into its operations, business practices, products and relationships with its various stakeholder categories.



## 2. Scope of application

The ESG Guidelines are applicable to the companies that make up the Ersel Group:

- *Ersel S.p.A.*
- *Ersel Asset Management*
- *Ersel Gestion Internationale*
- *Simon Fiduciaria*
- *Online Sim*

The Group's management companies (Ersel S.p.A., Ersel AM and Ersel Gestion Internationale) intend to integrate extra-financial considerations in the evaluation and selection of investment opportunities at the basis of the design and management of their products, in order to generate added social and environmental value.

## 3. The application of sustainability principles

Ersel respects the principles and rules dictated by the legislation, in full awareness of its responsibility towards the community, and carries out its activities in a fair and transparent manner.

### 3.1 Towards customers

Complete customer satisfaction is at the top of our priorities.

We offer services whose quality is testified by the numerous awards and recognitions that have been attributed to us over time and we direct our efforts to the search for solutions of excellence in all fields in which our offer is structured.

Through frequent contacts we maintain a constant listening and dialogue with all our customers, confirming their level of satisfaction. It is essential for us to ensure that our reporting is always timely, clear, comprehensive and transparent in all its components. Our technological infrastructure, which was further enhanced during the pandemic, ensures a high level of IT security and the absolute protection of the data we hold.

For years, we have also offered our customers the opportunity to participate in conferences, often organised together with authoritative institutions in the world of finance and culture, and through the Ersel Academy initiative we support customers in a dedicated financial training programme.

In 2003, when it moved its offices in Turin to the historic Palazzo Ceriana at Piazza Solferino 11, Ersel opened a space dedicated to exhibitions and events, realised in collaboration with prestigious national and international realities. Since then there have been more than 60 initiatives, including exhibitions and auction previews, aimed primarily at clients but also at a wider public, and monographic evenings, meetings with authors and art experts reserved for a smaller number of guests.

### 3.2 Towards partners

Over the years, Ersel has forged partnerships with leading wealth management companies, giving its clients access to exclusive investment opportunities.

Relations with our partners are regulated in absolute transparency and in compliance with the laws and rules defined.

### 3.3 Towards suppliers

In our dealings with suppliers we conduct ourselves with fairness and transparency, without taking advantage of a position of strength. We comply with the laws and regulations applicable to transactions with suppliers and abide by the agreements reached.

### 3.4 Towards competitors

We adhere to the rules of fair competition towards our competitors and exclude any actions that may be contrary to the rules of fair play, such as defamation or dumping. We participate actively in the various reference trade associations for the companies of the group (e.g. Assogestioni, Assosim, etc.).

### 3.5 Towards employees and collaborators

Ersel respects the human rights, individuality and personality of each person and does not discriminate on the basis of gender, nationality, belief or religion. All people are treated on the basis of principles of fairness and equality and only merit is rewarded at work. The company guarantees a safe working environment and implements all measures within its power regarding risk prevention.

### 3.6 As workers

Each employee and collaborator of the company undertakes to maintain absolute confidentiality of the information received, to comply with the rules laid down by the company, not to act in any way that conflicts with the interests of the company and not to take personal advantage of the information that may come into their possession

in the course of their work. It also undertakes to immediately report any possible infringement of the rules or other acts against the law to its hierarchical superior or through the “whistleblowing” procedures that have been specifically set up.

#### 4. ESG factors for the Group

The activities carried out by the Group from an environmental, social and governance perspective are presented below.



#### 4.1 Environmental

The Group promotes and supports a culture of enhancement and respect for the environment.

Furthermore, it is committed to minimizing the impact that its activities have on the environment, both directly and indirectly, in the short and long term.

##### 4.1.1 Direct impacts

The Group raises its employees’ awareness of sustainable resource use and proper waste disposal. In 2019, it introduced a policy that aims to reduce environmental impact by preferring suppliers that adopt high environmental and ethical standards and guarantee the socially responsible trade supply chain, choosing the latest generation of transport vehicles, installing energy-saving automatic distributors, and reducing the waste of resources. “Green” innovations have been introduced to encourage a reduction in the use of plastic and differentiated waste collection, and increasing digitalisation of communications has also been promoted to reduce the use of paper.

The Group has also adopted policies to save energy and promote sustainability with targeted interventions to renovate buildings and renew plant and equipment.

In 2018, Ersel acquired a prestigious property in Via Caradosso in Milan, which is intended to be the headquarters of the Group’s Milan-based activities. The restructuring underway takes into particular consideration aspects relating to environmental impact, energy saving and sustainability, also through highly advanced technological solutions.

The new Paideia Foundation headquarters in Via Moncalvo, inaugurated in 2018 and born from the renovation of an ancient villa, is an **environmentally-sustainable** and **energy-efficient** structure, built according to the highest environmental standards.

With a broader outlook, the Group supports the protection of the planet through an Online Sim initiative, which after having introduced the possibility of investing in ESG sustainable funds, has decided to create together with *Treedom* - the only web platform in the world that allows you to plant a tree at a distance and follow it on-line - a project for reforestation, protection of biodiversity and combating desertification with the creation of a forest in various countries around the world.

Every new Online Sim customer receives a free tree.

#### 4.1.2 Indirect impacts

The introduction of IT tools designed to encourage smart working, which in 2020 revolutionised our way of working and involved almost all of our employees in various ways, has positive environmental effects in terms of fewer staff movements. The Group undertakes to monitor in an increasingly structured manner the effects of its operations on the environment.

## 4.2 Social aspects

#### 4.2.1 Employees and collaborators

Aware that employees represent the heart of its business, and that only through their work is it possible to offer a quality service, Ersel promotes the active participation of all resources and strives to create a work environment in which people are able to follow their attitudes and demonstrate their skills. It is committed to attracting the best talents and enabling them to develop their potential, as well as creating conditions that respect the standards of personal dignity, human rights and equal opportunities, avoiding any kind of favouritism or facilitation.

Staff training and refresher and skills enhancement programmes are extremely important to Ersel.

With regard to health and safety, the Group is committed to ensuring the well-being of its workers, to complying with all applicable regulations and to preserving the balance between private and working life; to this end, a substantial welfare programme has been introduced, which provides for concessions, discounts and reimbursements of health expenses for the family and for leisure time.

#### 4.2.2 Social commitment

The close link with the territory and the awareness of the social responsibility of a company that has been operating for 80 years are the principles on which Ersel's action in the field of culture is well and truly hinged; not only a return to the image and possibility of creating opportunities for personal meetings with customers and opinion leaders, but real, active participation in the social and cultural life of Turin. Ersel has played a leading role in high-profile events in the field of art for years. A commitment confirmed not only by its own Renzo Giubergia Foundation, but also by the presence among the founding members of the Regio Theatre, one of the most important Italian opera houses, by the collaboration with prestigious institutions such as the Musical Union, the Modern Art Gallery and the FAI, and by the participation in the Council for the Enhancement of Artistic and Cultural Heritage of the city.

Ersel does not limit itself to contributing to events proposed by other institutions, but in many cases intervenes in the projects right from their conception. Even the usual sponsorships do not take the form of sporadic actions aimed at momentary visibility, but rather of long-term relationships with prestigious bodies and organisations that fit in with the Group's overall strategy.

Two are the main strands of Ersel's cultural activities followed in recent years, already mentioned in the section dedicated to customer relations, but which are often addressed to a wider audience: the commitment in the field of art, especially **figurative art** and **photography**, with major exhibitions and auction previews hosted also in the Turin headquarters in Piazza Solferino, along with various technical initiatives, conferences, meetings and important agreements with the

university world and with prestigious institutions in the economic-financial field. Since 2016 Ersel has started a collaboration with **ISPI**, one of the oldest and most prestigious Italian institutes specialised in international political studies. It also supports **LTI** (Long Term Investment), a research institute that studies the logic and dynamics of long-term investments within the Carlo Alberto Institute. The Group is also committed to ensuring adequate gender representation in the events and public events it organises or in which it participates. Ersel has set up and actively supports **two Foundations**, one aimed at supporting children and families in difficulty, the other at promoting the arts.



#### ***Paideia Foundation***

In 1993, the Giubergia and Argentero families chose to establish the Paideia Foundation, today one of Piedmont's most active non-profit organisations operating in support of children in difficulty and working to improve living conditions of struggling children and families, promoting specific initiatives and fostering the development of effective, innovative interventions. In 2007, the Paideia Foundation, together with the Oltre Venture association, founded *Permicro*, one of the most important micro credit companies in Italy, which operates throughout the country with a clear mission of social inclusion.

#### ***Renzo Giubergia Foundation***

Created to honour the memory and renew the commitment of Ersel's Chairman, who passed away in 2010, the Renzo Giubergia Foundation helps promote young musical and artistic talent, using and optimising places of particular beauty and architectonic importance.

### **4.3 Governance**

The last ESG criterion is the one that encompasses the company's "good governance" responsibilities, which concern aspects such as respect for meritocracy, diversity policies in the composition of boards of directors, the fight against all forms of corruption, and pay ethics.

Governance makes it possible to define whether the sustainable actions and initiatives adopted by the company are also accompanied by forms of organisation in the workplace that are equally close to ESG principles.

On the one hand, these principles guide the relations of all those who, for various reasons, operate in the interest of the Group and, on the other, they are taken into consideration in the development and offer of products and services, which must always be respectful of ethical and responsible criteria.

The Ersel Group's system of governance is designed to maximise value in the medium to long term and transparency towards the market, fully complying with the regulations of the countries in which it operates and in accordance with the principles set out in the Code of Ethics and internal control procedures.

As confirmation of its commitment in the area of governance with regard to ESG aspects, the Group has set up a Sustainability Committee made up of the top decision-making and business lines dedicated to supervising sustainability issues connected with the company's operations and its interaction with all stakeholders.

Below is a description of the roles and responsibilities of the corporate bodies and functions responsible for supervising and/or managing ESG issues within the Group:

#### *Board of Directors*

When appointing members of the Boards of Directors and Boards of Auditors of Group companies, the principles of respect for independence and gender diversity, among others, apply. The Board of Directors of Ersel S.p.A., the parent company, approves this policy, the related documentation and the other policies on which it has an impact, and supervises sustainability issues with the support of the Sustainability Committee (hereinafter also referred to as the "ESG Committee"). The latter is given the role of proposer and advisor for the management of sustainability aspects (ESG) and establishes the frequency, in any case not less than once a year, with which the Sustainability Committee must report to the Board on the activities carried out in exercising the powers conferred on it.

#### *ESG Committee*

The Board of Directors of the parent company has set up a Sustainability Committee (ESG Committee) with an advisory role and to make proposals.

The Committee is composed of the top decision-making and business lines as listed below:

- Chief Executive Officer of Ersel S.p.A.;
- Deputy General Manager IT - Operations;
- Deputy General Manager Sales and Marketing;
- Deputy General Manager Investments;
- Deputy General Manager Administration and Finance;
- Director of Planning and Management Control;
- Director of Personnel and Internal Communication;
- Head of Group Risk Management;
- Investment Director of Ersel Asset Management;
- General Manager of Ersel Gestion Internationale;
- General Counsel;
- Head of Marketing e-Business Development (ESG Strategy);
- Independent director with training and experience in ESG topics (Committee Chairman).

The heads of control functions and operational areas may be invited to Committee meetings, depending on the initiatives and projects involved.

The Committee shall meet as often as its members deem appropriate.

The ESG Committee is dedicated to overseeing sustainability matters related to the company's operations and its interaction with all stakeholders. With reference to ESG topics, it does not merely perform an exclusively evaluative and advisory function in favour of the Board, but also has a proactive and investigative role, contributing to ensuring better control of ESG risks. For more details, refer to the Sustainability Committee Regulations.

#### *Investment Departments*

The Investment Departments of the individual companies formulate the macroeconomic and sectoral framework and draw up the applicable management strategies. In this context, they make appropriate investment choices taking into account the guidelines and indications provided by the ESG Committee. Please refer to the document dedicated to Responsible Investment Policies - ESG for further details.



*Risk Management*

The Risk Management Department monitors periodically and continuously the compliance with ESG policies of the investments made by companies subject to the application of the SFDR Regulation, as described in the following point. Assessments may be based on data from specially selected third-party providers. Refer to the document on ESG Investment Policies also for further details on Risk Management.

**5. External communication**

With a view to absolute transparency and responding to the provisions set out in EU Regulation 2019/2088 on sustainability related disclosures in the financial services sector (the 'SFDR'), the Ersel Group with particular reference to the Companies:

Ersel S.p.A.

Ersel Asset Management

Ersel Gestion Internationale

communicates externally its approach to respecting ESG criteria through documents published on its websites. These disclosures reflect the provisions set forth in the following articles of the SFDR:

*Art. 3: Transparency of sustainability risk policies*

This disclosure explains how the Group integrates the consideration of ESG risks into its investment processes.

*Art. 4: Transparency of adverse effects on sustainability*

This disclosure states whether the Group considers the negative effects of its investment decisions on sustainability factors.

*Art. 5: Transparency of remuneration policies with respect to the integration of sustainability risks*

In this disclosure, the Group discloses that its compensation policies take into account ESG objectives when defining compensation parameters.

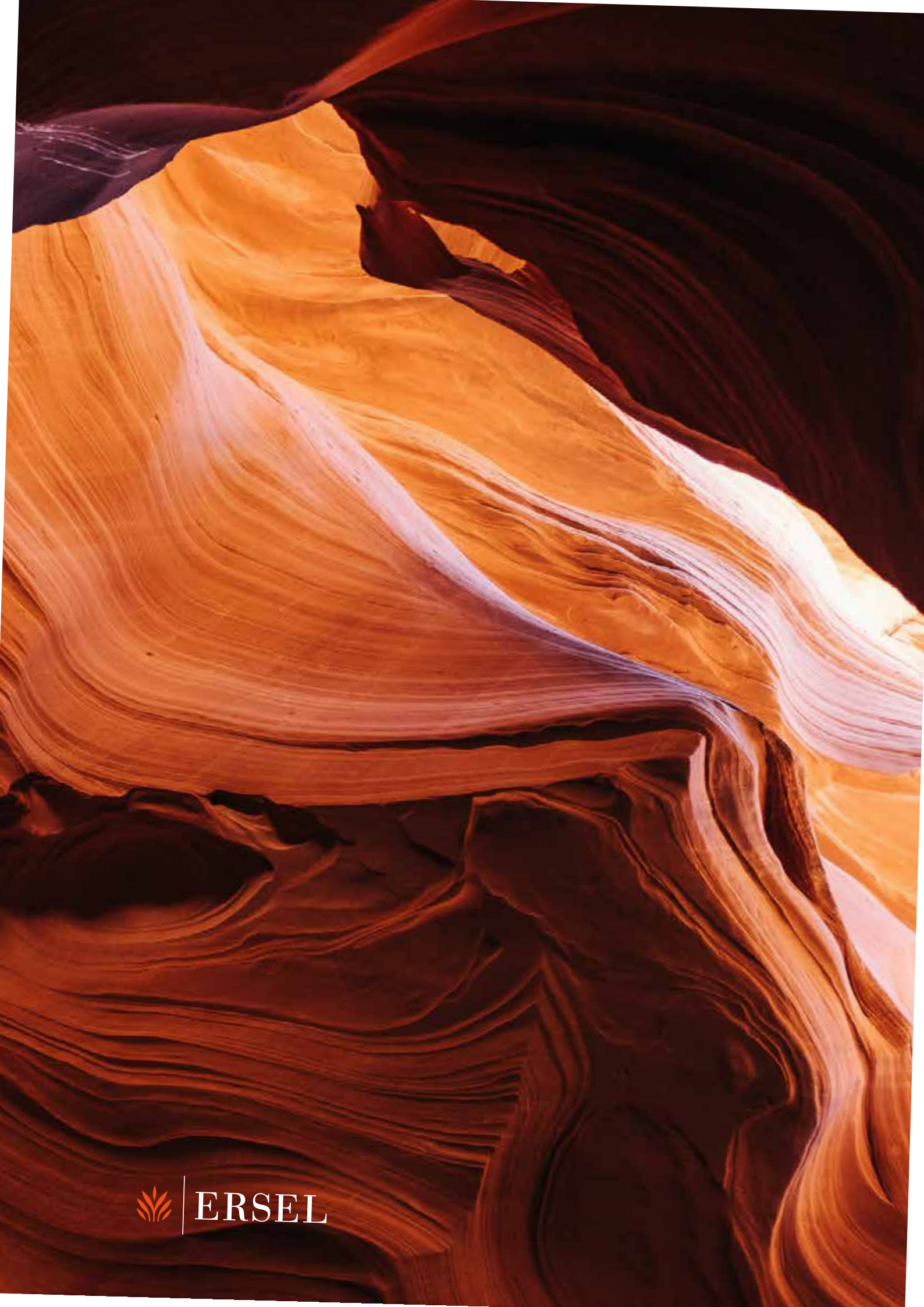
*Ex-post reporting*

From 1 January 2022, Group companies subject to EU Regulation 2019/208 will also introduce the required changes in ex-post reporting and disclosure, providing a description of the extent to which environmental or social characteristics are achieved.

**6. Update**

The Policy is updated periodically and in any case in consideration of any findings reported as a result of monitoring activities relating to responsible investments.

The assessment process set out above will be periodically assessed as current by the Group as part of its usual review of business processes.



ERSEL