



NB Renaissance Partners

Portfolio ESG Spotlight

April 2021

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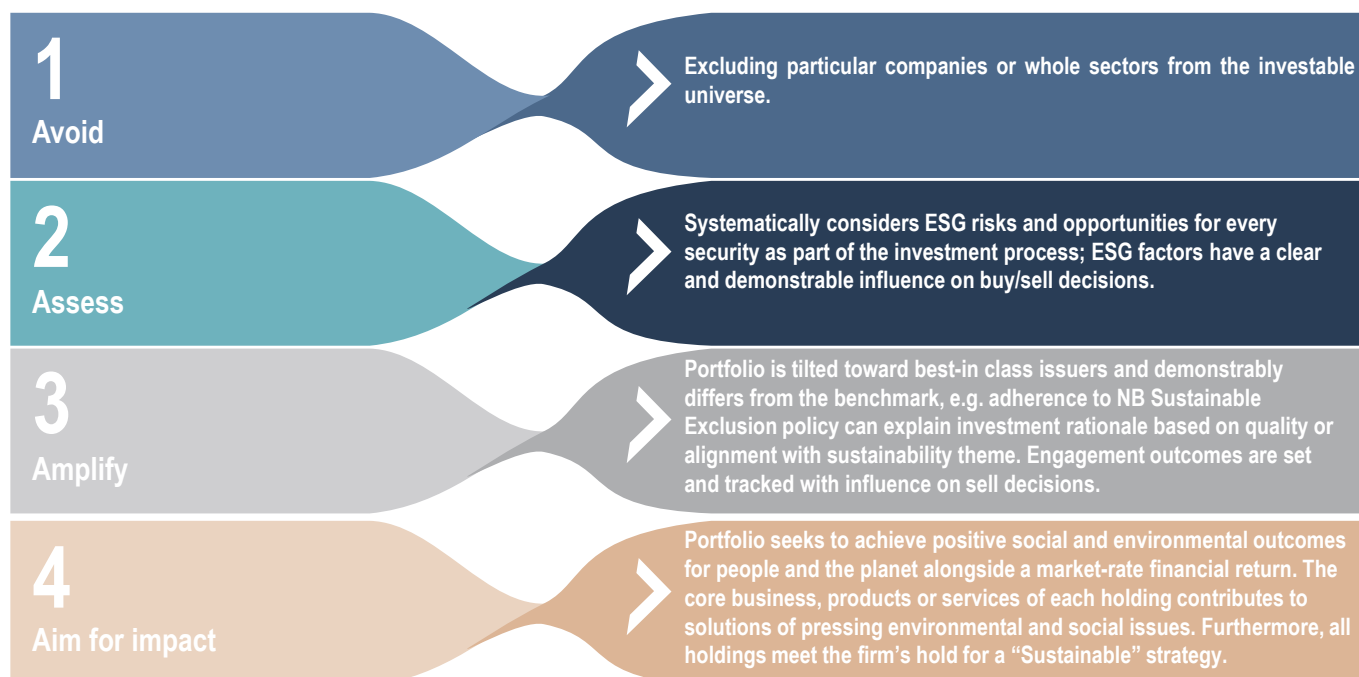
Neuberger Berman (“NB”) has a longstanding history of responsible investing and considering environmental, social and governance (“ESG”) factors as important drivers of long-term investment returns from both an opportunity and a risk mitigation perspective. We also understand that for many of our clients the impact of their portfolio is an important consideration in conjunction with investment performance.

As such, we believe that material ESG factors, like any other material factor, should be incorporated in the investment decision-making process. There are various ways to integrate ESG considerations to help generate enhanced returns as well as to implement non-financial objectives within a portfolio. NB believes its approach to doing so not only benefits its clients but can also support better-functioning capital markets and generate positive impacts for people and planet as a whole.

On this basis, NB has defined an ESG policy which provides a broad framework for its approach to ESG integration. The Policy is reviewed annually by the ESG Committee and Neuberger Berman’s Board of Directors, which is responsible for overseeing NB ESG integration efforts, setting goals, and reporting on the firm’s performance.

The ESG Policy has been reviewed on February 2021 and is disclosed to the public on NB website at www.nb.com/esg.

NEUBERGER BERMAN ESG INTEGRATION FRAMEWORK



Neuberger Berman became a signatory of the UN Principles for Responsible Investment in 2012 and has reported to the PRI since 2014. In its most recent PRI Assessment, NB has obtained the highest score in every category, A+, for its overarching approach to ESG strategy and governance. In addition, NB has earned an A+ for ESG integration across each of the four asset classes that it manages as a firm. In 2020, Neuberger Berman was named to the PRI Leaders Group, 1 of 20 investment managers awarded the designation, for our work on climate strategy and analysis.

Neuberger Berman is also a member of the PRI Private Equity Advisory Committee, which is a collaborative group that advises the Principles for Responsible Investment on its private equity initiatives. The PEAC is a group of asset owners and managers at the forefront of exploring the possibilities of ESG integration within private equity investing and advises the development of industry knowledge-sharing and resources. In 2021, Neuberger Berman joined the ILPA Diversity in Action Initiative, and is part of a working group focused on diversity and inclusion metrics to help advance efforts in the private equity industry.

Building upon the firm-level commitment to ESG investing, NB Renaissance Partners (“NBRP”) recognizes that investing with an ESG-integrated approach can generate shared value for all stakeholders, building a resilient portfolio in the long-term.

As a result, NBRP believes it has the opportunity and responsibility to integrate ESG factors in its decision-making process in order to support sustainable investing and to foster ESG best practice across the business community, both the portfolio- and company-levels.

WHAT DO WE MEAN BY ESG?

Environmental factors include organizations’ contribution to **climate change** through **greenhouse gas emissions, along with waste management, energy efficiency, water consumption and biodiversity**. With renewed efforts to combat global warming, emissions reduction and decarbonisation become more important.



Social aspects include **human capital management** and development and retention of **talents**, as well as **health and safety**. It also includes aspects related the interaction with the **local community** and the **value chain** (e.g. human rights and labor conditions in the supply chain). It also relates to **research and development activities to foster innovation**.



Governance refers to a set of rules or principles that define **rights, responsibilities and expectations** among different stakeholders in corporate governance. In particular, it is important for organizations to have in place a **governance mechanisms that allow for management and monitoring of sustainability issues**.



A COMMON GOAL: UNITED NATIONS GLOBAL COMPACT

Neuberger Berman is a signatory of the UN Global Compact and is committed to aligning its operations with universal principles on human rights, labor, environment and anti-corruption, and to taking actions that advance societal goals.

By incorporating the ten principles into the firm’s business practices – including its corporate strategy, policies and procedures, and maintaining its culture of integrity – NB joins other companies in not only upholding its basic responsibilities to people and the planet, but also in setting the stage for long-term success.



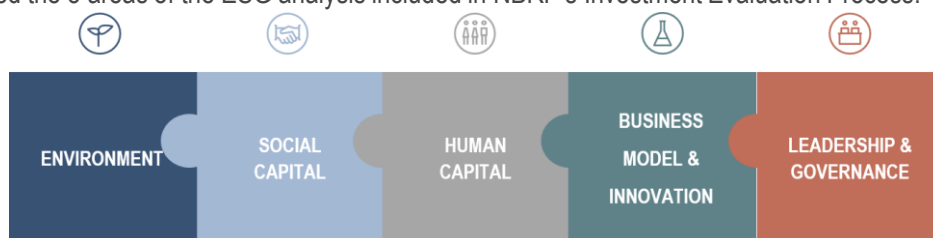
ESG principles are deeply rooted throughout NBRP operations, from a thorough due diligence process on potential investments, to the promotion and integration of ESG best practice in its investments.

ESG is incorporated into the due diligence process as one of the key set of factors that must be considered for identifying and understanding potentially material risks and related opportunities. NBRP's diligence process includes a review of a potential portfolio company's compliance with ethical business guidelines and sustainability framework as well as material ESG factors.

For each of the E, S, and G dimensions, NBRP focuses on the following:

- **Environmental:** potential environmental issues are addressed; if potentially material risks are identified, a specific environmental due diligence is conducted, with the assistance of specialized environmental consultants. The scope of environmental due diligence is based on the nature of the business and the potential issues identified by the deal team;
- **Social:** it is ascertained whether a company adheres to sustainability standards that are required, establishing and maintaining relationships based on mutual respect, loyalty and trust with all its stakeholders;
- **Governance:** the focus is on the systems, processes and practices governing a company's interaction with all its constituencies to ensure that they enable adequate transparency, accountability and inclusiveness.








Below it is reported the 5 areas of the ESG analysis included in NBRP's Investment Evaluation Process:








From an investment standpoint, NBRP believes that ESG analysis should be based on materiality and customized by asset class and investment style. Neuberger Berman has a proprietary view of sustainability issues by industry, using the Sustainability Accounting Standards Board (SASB) as a starting point and leveraging the expertise and insights of its in-house sector experts, summarized in its NB Materiality Matrix. Many of its portfolio companies based in Europe use the Global Reporting Initiative (GRI) Sustainability Reporting Standards as the basis for their sustainability initiatives, and as such, NBRP factors in GRI guidance in its ESG efforts and communications as well.

NBRP believes that integrating ESG considerations throughout its investment process can lead to more consistent and better investment outcomes – by helping to identify both material risks and opportunities to drive value. NBRP is focused on long-term partnerships and engage with its partners to promote ESG integration best practices and resources. NBRP's commitment is rooted in the involvement and engagement with companies to strengthen their ESG commitment and help fill the gaps, with a view to continuous improvement. ESG criteria influence the investment decisions and critical issues and material unmitigated risk constitutes a “no-go” for an investment.

Since its establishment, NBRP has actively promoted the integration of ESG best practice across its portfolio, as demonstrated by a number of its portfolio companies that have already embarked on a path of long term commitment to sustainability:

 <ul style="list-style-type: none"> • Corporate Social Responsibility Report in accordance with Global Reporting Initiative Sustainability Reporting Standards 	 <ul style="list-style-type: none"> • Sustainability Report in accordance with Global Reporting Initiative Sustainability Reporting Standards • SDGs commitment 	 <ul style="list-style-type: none"> • Sustainability Report • Participants of the UN Global Compact • SDGs commitment 	 <ul style="list-style-type: none"> • Integrated Annual Report, including non-financial disclosure referenced to the Global Reporting Initiative's G4 Guidelines 	  
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In 2020, NBRP took an additional relevant step in its ESG sustainability path by deploying a challenging ESG roadmap for all of its controlling investments, which include:

 <p>Rino Mastrotto Group S.p.A. leader in the tanning and leather industry</p>	 <p>Comelz S.p.A. leader in the production of cutting machines for industry</p>	 <p>Biolchim S.p.A. top player in the special fertilizers market, in particular Biostimulants</p>	 <p>Uteco Converting S.p.A. leader in the production of printing and converting machines</p>	 <p>Hydro Holding S.p.A. leading manufacturers of hydraulic components</p>
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In its effort to support its portfolio companies to improve their ESG and sustainability practices and communications, NBRP is committed to a portfolio-wide ESG initiative that is summarized by a three-step roadmap:



NBRP expects that this ESG portfolio initiative will continuously enhance NBRP's ESG disclosure and improve transparency and accountability to its stakeholders.

The five portfolio companies, after having successfully completed the preparation of the first sustainability report, together with NBRP will continue to pursue its ESG and sustainability commitment focusing on the other steps of its roadmap and sharing regular updates on its progress.

A spotlight on: Rino Mastrotto Group

Following the first edition of its Sustainability Report, Rino Mastrotto Group has decided to continue the progress along its Sustainability journey.

In fact, the company has decided to implement in 2021, the following sustainability-related stream:

Implementation of ESG policies:

- The Group has decided to adopt the following Group policies: Sustainability policy, Diversity & inclusion policy, Human rights policy and Deforestation policy

STEP 1 INITIAL FACT GATHERING: MATERIALITY ANALYSIS & REPORTING

The abovementioned five pilot portfolio companies already had ESG related data and information available but were well-positioned to benefit from a consistent ESG-related reporting framework aligned with Neuberger Berman's standards. Leveraging its unique positioning in the private equity ecosystem, NBRP engages with its partners and portfolio companies to share and promote best practices and resources related to ESG integration and sustainability.

NBRP believes that by integrating ESG factors with a focus on materiality in its diligence, it may achieve a more consistent outcome and stronger financial returns. NB leverages industry standards for materiality of ESG factors, specifically utilizing the Sustainability Accounting Standards Board (SASB) along with the expertise and insights of its in-house sector experts, summarized in its NB Materiality Matrix. Many of NB's portfolio companies based in Europe use the Global Reporting Initiative (GRI) Sustainability Reporting Standards as the basis for their sustainability initiatives, and as such, NBRP factors in GRI guidance in its ESG efforts and communications as well. As mentioned before, the five portfolio companies have started the preparation of the second Sustainability report, and have therefore updated their materiality matrices.

The GRI Standards requires companies to identify the most relevant topics by implementing a materiality analysis process. This process enables the company to determine the material topics, i.e. those economic, social and environmental aspects on which a company has a significant effect (positive or negative) and which could substantially influence stakeholders assessments and decisions. Moreover, the analysis has been integrated with a benchmarking activity on sustainability issues reported by the main sector peers. Relevant ESG topics have been translated into common Key Performance Indicators (KPIs) for all selected portfolio companies ("cross portfolio KPIs") and in customized metrics for each portfolio company ("company-specific KPIs"). Both cross portfolio KPIs and company-specific KPIs are included in the Sustainability Reports of each pilot portfolio company.

The cross portfolio KPIs related to the ESG topics identified within the materiality analysis process are:

Environmental:

- Energy (GRI 302-1)
- Water (GRI 303-3)
- Emissions (GRI 305-1; GRI 305-2)
- Waste (GRI 306-2)

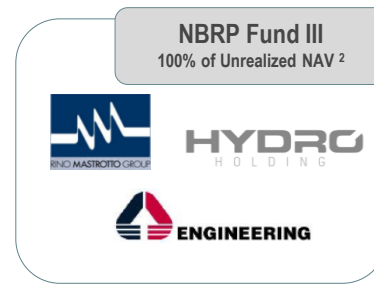
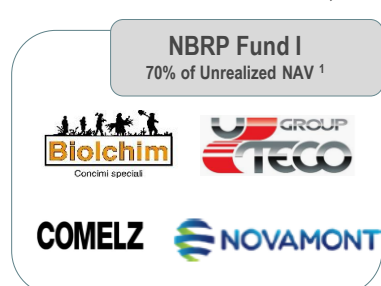
Governance:

- Anti-corruption (GRI 205-3)
- Anti-competitive behavior (GRI 206-1)
- Environmental compliance (GRI 307-1)
- Diversity and equal opportunities (GRI 405-1)
- Socioeconomic compliance (GRI 419-1)

Social:

- Information on employees and other workers (GRI 102-8)
- Employment (GRI 401-1)
- Occupational health and safety (GRI 403-9)
- Training and education (GRI 404-1)
- Diversity and equal opportunities (GRI 405-1)

Starting from page 9, we report the extracts from the Sustainability Reports of the five pilot portfolio companies (Biolchim, Comelz, Hydro Holding, Rino Mastrotto Group and Uteco) and the two most relevant portfolio companies that already had their Sustainability Reports (Engineering and Novamont). This set of seven portfolio companies represents 70% of the unrealized NAV for Fund I¹, 82% for Annex¹ and 100% for Fund III².



1. Unrealized NAV as of December 31, 2020, excluding the recent monetization of Pirelli.
2. Unrealized NAV As of December 31, 2020.

STEP 2 FORMALIZE REPORTING: DISCLOSURE OF AGGREGATED PORTFOLIO COMPANIES KPIs

In order to better represent the overall ESG performance of Fund I, Annex, Fund III, NBRP has decided to disclose a selection of aggregated ESG KPIs. Such KPIs have been identified by the relevant portfolio companies as part of the materiality analysis process:



GRI	KPI	UoM	2020	Δ %	GRI	KPI	UoM	2020
SOCIAL					GOVERNANCE			
GRI 102-8	Number of employees as of 31.12 ➤ of which with permanent contract	n. %	1,545 96	+6% +7%	GRI 205-3	Any confirmed incidents of corruption	n.	-
GRI 401-1	Number of new employees hire	n.	130	-9%	GRI 206-1	Any legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	n.	-
GRI 405-1	Diversity of employees as of 31.12 ➤ women ➤ <30 years old	% %	21 11	+10% -6%	GRI 307-1	Any fines and non-monetary sanctions for non-compliance with environmental laws	n.	-
GRI 302-1	Energy consumption within the organization ¹	GJ	1,490,774	+7%	GRI 419-1	Any fines and non-monetary sanctions for non-compliance with laws in the social and economic area	n.	-
GRI 305-1	GHG emissions (Scope 1 and Scope 2) ²	tCO _{2e}	95,734	+9%				
GRI 305-2								
GRI 306-2	Significant waste-related impacts	t	17,215	+20%				



GRI	KPI	UoM	2020	Δ %	GRI	KPI	UoM	2020
SOCIAL					GOVERNANCE			
GRI 102-8	Number of employees as of 31.12 ➤ of which with permanent contract	n. %	12,816 99	+2% +3%	GRI 205-3	Any confirmed incidents of corruption	n.	- ³
GRI 401-1	Number of new employees hire	n.	1,299	-35%	GRI 206-1	Any legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	n.	-
GRI 405-1	Diversity of employees as of 31.12 ➤ women ➤ <30 years old	% %	30 17	+3% +26%	GRI 307-1	Any fines and non-monetary sanctions for non-compliance with environmental laws	n.	-
GRI 302-1	Energy consumption within the organization ¹	GJ	523,337	-18%	GRI 419-1	Any fines and non-monetary sanctions for non-compliance with laws in the social and economic area	n.	-
GRI 305-1	GHG emissions (Scope 1 and Scope 2) ²	tCO _{2e}	35,965	-21%				
GRI 305-2								
GRI 306-2	Significant waste-related impacts	t	17,774	-17%				

- In reporting energy consumption within the organization, local conversion factors were used to convert fuel to GJ (Source: National Inventory Report 2020 Annex 6 National Emission Factors and UK Government GHG Conversion Factors for Company Reporting 2020). The fuel consumption (t) is multiplied by its calorific value (GJ/t) to obtain the GJ of energy consumed by that fuel.
- The overall GHG emissions have been calculated including Scope 1 emissions and Scope 2 «location-based» emissions. To calculate SCOPE 1 emissions, direct emissions from combustion sources, including stationary, mobile, from process and fugitive sources, were considered. The emission factors used for the calculation are those published by ISPRA - National Inventory Report 2020 and UK Government GHG Conversion Factors for Company Reporting 2020. For the calculation of SCOPE 2 emissions, emissions from energy consumption have been considered. The reporting standard used (GRI Sustainability Reporting Standards 2016) provides two different approaches to calculating SCOPE 2 emissions: 'Location-based' and 'Market-based'. The "Location-based" approach uses a national average emission factor relative to the specific national energy mix for electricity production (Source: ISPRA 2020 and Terna 2018).
- Refer to NB Renaissance Partner S.p.A. SICAV-RAIF - NBRP Fund III 2020 Annual Report for a comprehensive disclosure on the ongoing investigation for improper benefits provided by employees of eight companies, including Engineering, related to public tenders for Azienda Trasporti Milanesi S.p.A. ("ATM"). Considering that the investigation is still in its preliminary phase and that at this time it is not possible to predict when the final verdict, if any, will emerge, as of December 31, 2020, Engineering reported no confirmed incidents of corruption.

BIOLCHIM - OVERVIEW

Founded in 1972, **Biolchim** is a leading company for the **production and commercialization of special fertilizers in particular Biostimulant**, a range of products composed by **innovative raw materials** and with **high agronomical performances**.

Based in Italy, where the production lines and the extraction units are located, Biolchim operates in more than eighty countries worldwide. In some countries the Group is present with subsidiaries or commercial offices through which it is able to build very close partnerships with its local distributors and provide continuous technical and sales support on the territory. In the other countries, the company acts through commercial partnerships with a capillary network of importers and distributors.

MISSION

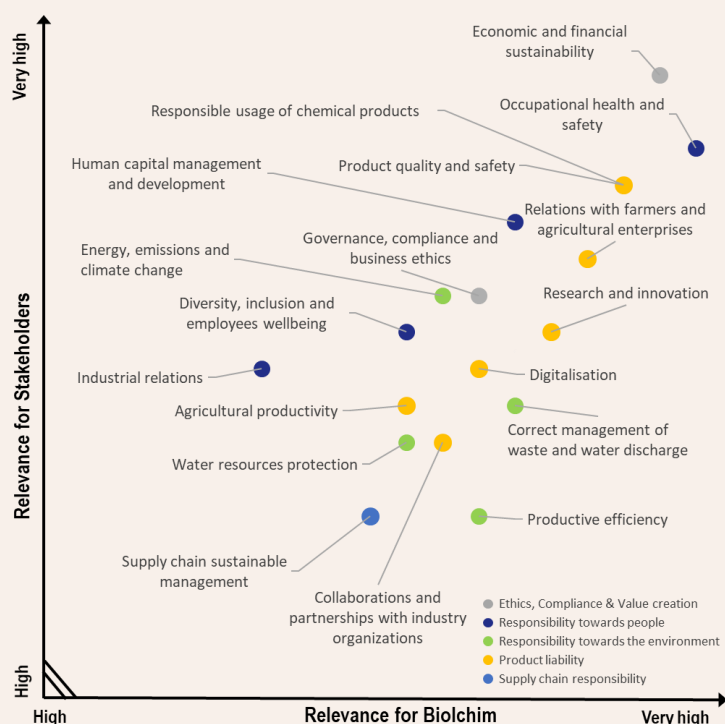


Biolchim aims to provide innovative, sustainable and eco-friendly technical solutions to meet the needs of modern agricultural production.

STRATEGY



BIOLCHIM – 2020 MATERIALITY MATRIX



RELEVANT ESG TOPICS

ENVIRONMENTAL

- Energy, emissions and climate change
- Correct management of waste and water discharge

SOCIAL

- Workers' health and safety
- Product quality and safety
- Research and innovation
- Management and development of human capital
- Diversity, inclusion and employee well-being

GOVERNANCE

- Governance, compliance and business ethics

BIOLCHIM – ESG PERFORMANCE



ENVIRONMENTAL

GRI	KPI	UoM	2020	2019	2018
GRI 302-1	Energy consumption within the organization ¹	GJ	153,042	179,720	185,103
GRI 303-3	Water withdrawal	ML	52	58	59
GRI 305-1	Direct GHG emissions (Scope 1 and Scope 2) ¹	tCO ₂	9,315	10,834	11,143
GRI 306-2	Waste by type and disposal method	t	2,605	2,222	2,583

MAIN POLICIES AND PROCEDURES IN PLACE

ISO 14001 certificate for Italian productive companies
ISO 50001 certificate for ILSA



SOCIAL

GRI	KPI	UoM	2020	2019	2018
GRI 102-8	Information on employees and other workers as of 31.12 ➤ of which with permanent contract	n. %	399 90	391 90	365 90
GRI 401-1	Rate of new employees hire	%	13	18	13
	Rate of employee turnover ¹	%	11	11	9
GRI 403-9	Rate of employees work-related injuries	n.	5.2	4.6	3.3
GRI 404-1	Training hours	n.	759	2,700	3,142
GRI 405-1	Diversity of employees (percentage of women in the company as of 31.12)	%	31	32	33

MAIN POLICIES AND PROCEDURES IN PLACE

ISO 45001 certificate for Biolchim and Cifo
101 International partnership for innovation
20 Research projects



GOVERNANCE

GRI	KPI	UoM	2020	2019	2018
GRI 205-3	Confirmed incidents of corruption	n.	-	-	-
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	n.	-	-	-
GRI 307-1	Fines and non-monetary sanctions for non-compliance with environmental laws	n.	-	-	-
GRI 405-1	Diversity of governance bodies as of 31.12 ➤ 30-50 years old in the Board	%	60	60	60
GRI 419-1	Fines and non-monetary sanctions for non-compliance with laws in the social and economic area	n.	-	-	-

MAIN POLICIES AND PROCEDURES IN PLACE

Ethic code
Organisation and management model ex decree 231/01 for Italian companies
European Biostimulant Industry Council (EBIC) founder

POTENTIAL IMPROVEMENTS

Maintaining ISO 14001 certificate for Biolchim, Cifo and ILSA

In progress

Move to ISO 45001 Certificate in 2020 for Biolchim and Cifo

Achieved

Continue to improve learning from process safety events with high potential impact

In progress

1. As a result of improved data mapping, the 2019 data has been restated from those published last year.

COMELZ - OVERVIEW

Founded in 1943, **Comelz** is one of the pioneers generation of Italian companies that understood the needs of a fast growing national footwear and leather goods market at that time, and created a shoe-machinery sector of international excellence. Today it is **globally recognized as a technology leader for its innovation and capability of rethinking the way to cut and model leather and fabrics.**

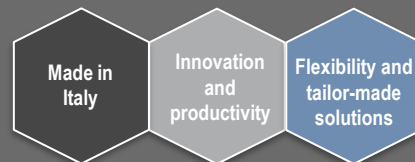
Comelz is headquartered in Vigevano, Italy, one of the most renowned footwear districts in Europe. Comelz started an internationalization process that, so far, led to the establishment of branch offices in Europe, India, China, Vietnam, Myanmar and Brazil. To date, the Group has built a strong international network of partners, dealers and distributors to offer support and post-sales assistance.

MISSION

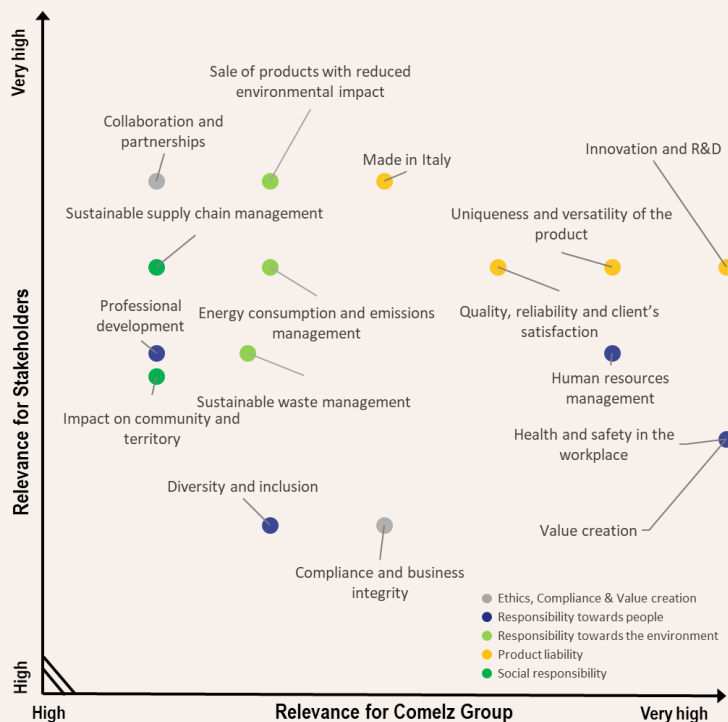


Comelz aims at growing every day worldwide as a leading Italian company providing to its customers high quality, innovative and reliable solutions.

STRATEGY



COMELZ – 2020 MATERIALITY MATRIX



RELEVANT ESG TOPICS

ENVIRONMENTAL

- Sale of products with reduced environmental impact
- Energy consumption and emissions management
- Sustainable waste management

SOCIAL

- Innovation and R&D
- Uniqueness and versatility of the product
- Health and safety in the workplace

GOVERNANCE

- Value creation
- Collaboration and partnerships
- Compliance and business integrity

COMELZ – ESG PERFORMANCE



ENVIRONMENTAL

GRI	KPI	UoM	2020	2019	2018
GRI 302-1	Energy consumption within the organization ^{1,2}	GJ	9,417	10,961	9,799
GRI 305-1	Direct GHG emissions (Scope 1 and Scope 2) ^{1,2}	tCO ₂ e	854	1,080	770
GRI 306-2	Waste by type and disposal method	t	125	193	193

MAIN POLICIES AND PROCEDURES IN PLACE

Green Label Certification by ASSOMAC

TUV Product Certification



SOCIAL

GRI	KPI	UoM	2020	2019	2018
GRI 102-8	Information on employees and other workers as of 31.12 ➤ of which with permanent contract	n. %	356 99	293 96	298 90
GRI 401-1	Rate of new employees hire	%	7	6	15
	Rate of employee turnover	%	10	8	5
GRI 403-9	Rate of employees work-related injuries ¹	n.	2.3	2.4	2.9
GRI 404-1	Training hours	n.	3,715	3,618	2,342
GRI 405-1	Diversity of employees (percentage of women in the company as of 31.12)	%	15	9	9

MAIN POLICIES AND PROCEDURES IN PLACE

11 Patents at 31 December 2020



GOVERNANCE

GRI	KPI	UoM	2020	2019	2018
GRI 205-3	Confirmed incidents of corruption	n.	-	-	-
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	n.	-	-	-
GRI 307-1	Fines and non-monetary sanctions for non-compliance with environmental laws	n.	-	-	-
GRI 405-1	Diversity of governance bodies as of 31.12 ➤ 30-50 years old in the Board	%	43	43	43
GRI 419-1	Fines and non-monetary sanctions for non-compliance with laws in the social and economic area	n.	-	-	-

MAIN POLICIES AND PROCEDURES IN PLACE

Code of Ethics

Procedures inspired by the Organisation and management model ex decree 231/01 for Italian companies

POTENTIAL IMPROVEMENTS

Extension of the Green Label to more Italian machineries.

In progress

Adoption of the Organizational, Management and Control Model pursuant to Legislative Decree 231/2001 for Comelz S.p.A by 2020.

Achieved

Supporting GreenApes, the B-Corp whose objective is to spread sustainable behavior among communities and companies.

In progress

Sourcing energy from renewable sources for Comelz S.p.A.'s production site by 2021.

In progress

1. As a result of improved data mapping, the 2019 and 2018 data has been restated from those published last year.
2. 2020 and 2019 data include consumptions and emission from Camoga Nanchino site.

ENGINEERING - OVERVIEW

With approximately **12,000 professionals** in 40+ locations (in Italy, Belgium, Germany, Norway, Serbia, Spain, Switzerland, Sweden, Argentina, Brazil, Mexico and the USA), the Engineering Group designs, develops, and manages innovative solutions for the areas of business where **digitalisation** generates major change, such as digital finance, smart government & e-health, augmented cities, digital industry, smart energy & utilities, and digital media & communication. With important investments in R&D, Engineering plays a leading role in research, coordinating national and international projects with a team of **450 researchers and data scientists** and a network of scientific and academic partners throughout Europe. One of the Group's strategic assets is the expertise of its employees, whose development is promoted by a dedicated multi-disciplinary training school that provided more than **19,000 training days** over the last year.

MISSION

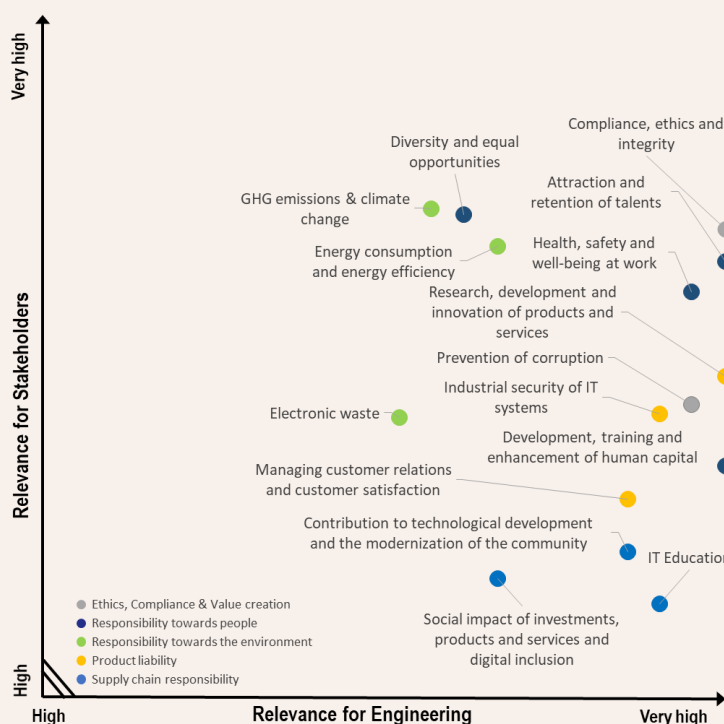


The Group helps its partners achieving their goals, co-designing innovative solutions and leveraging the opportunities of a continuous technology evolution. Engineering helps them transforming their business based increasingly on new core values and digital-sustainable ecosystems.

STRATEGY



ENGINEERING – 2020 MATERIALITY MATRIX



RELEVANT ESG TOPICS

ENVIRONMENTAL:

- GHG emissions & climate change
- Energy consumption and energy efficiency
- Electronic waste

SOCIAL

- Attraction and retention of talents
- Health, safety and well-being at work
- Diversity and equal opportunities

GOVERNANCE:

- Compliance, ethics and integrity
- Prevention of corruption

ENGINEERING – ESG PERFORMANCE



ENVIRONMENTAL

GRI	KPI	UoM	2020	2019	2018
GRI 302-1	Energy consumption within the organization	GJ	146,563	230,388	188,848
GRI 303-3	Water withdrawal	ML	708	1,070	1,110
GRI 305-1	Direct GHG emissions (Scope 1 and Scope 2)	tCO _{2e}	12,330	19,685	15,237
GRI 306-2	Waste by type and disposal method (electronic waste)	t	10.4	4.1	26.2

MAIN POLICIES AND PROCEDURES IN PLACE

ISO 14001 certificate (Engineering II, Municipia, Engineering D.HUB, Nexen, Webresults)

Carbon footprint



SOCIAL

GRI	KPI	UoM	2020	2019	2018
GRI 102-8	Information on employees and other workers as of 31.12	n.	11,632	11,445	10,730
GRI 401-1	Rate of new employees hire	%	9	16	13
GRI 403-9	Rate of employee turnover	%	8	10	9
GRI 403-9	Rate of work-related injuries	n.	1.9	4.9	4.6
GRI 404-1	Training hours	n.	125,396	137,880	130,584
GRI 405-1	Diversity of employees (percentage of women in the company as of 31.12)	%	30	31	31
GRI 416 - 2	Incidents of non-compliance concerning the health and safety impacts of products and services	n.	n.a.	n.a.	n.a.

MAIN POLICIES AND PROCEDURES IN PLACE

ISO 45001 certificate (Engineering II, Engineering D.HUB, Municipia)

Smart working

Work-life balance, welfare,

New Performance Evaluation System



GOVERNANCE

GRI	KPI	UoM	2020	2019	2018
GRI 205-3	Confirmed incidents of corruption ¹	n.	-	-	-
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	n.	-	-	-
GRI 307-1	Fines and non-monetary sanctions for non-compliance with environmental laws	n.	-	-	-
GRI 405-1	Diversity of governance bodies as of 31.12				
	➢ Women in the Board ²	%	33	33	33
	➢ 30-50 years old in the Board	%	33	45	45
GRI 419-1	Fines and non-monetary sanctions for non-compliance with laws in the social and economic area	n.	-	-	-

MAIN POLICIES AND PROCEDURES IN PLACE

ISO 37001 anti-bribery management system certificate, ISO/IEC 27001 and ISO/IEC

ISO 20000 Information Security Management System

Ethic Code, Organisation and Management Model ex decree 231/01 for Italian companies

Legality Rating (Municipia)

POTENTIAL IMPROVEMENTS

New CSR function reporting to CEO has been created

Achieved

Gap analysis for SA8000 certification

In progress

Joint to United Nation Global Compact (UNGC) and to CDP disclosure on climate change

In progress

Strengthen research areas in the sustainability field (Environmental, Energy Waste, etc).

Achieved

Extension to other Group companies of the ISO 45001:2018 standard

Achieved

Obtain ISO 14064 certification

In progress

Joint to "Valore D" Association for Gender balance and to the Digital Transformation Institute

In progress

Increase in the number of smart working days per week granted to employees

Achieved

- Refer to NB Renaissance Partner S.à.r.l. SICAV-RAIF – NBRP Fund III 2020 Annual Report for a comprehensive disclosure on the ongoing investigation for improper benefits provided by employees of eight companies, including Engineering, related to public tenders for Azienda Trasporti Milanesi S.p.A. ("ATM"). Considering that the investigation is still in its preliminary phase and that at this time it is not possible to predict when the final verdict, if any, will emerge, as of December 31, 2020, Engineering reported no confirmed incidents of corruption.
- Women in Statutory Auditors and Supervisory Board.

HYDRO HOLDING - OVERVIEW

Quality, innovation and technical excellence are among **Hydro Holding's** key corporate values. Born in 2015, Hydro Holding boasts a group of extremely experienced Italian companies (fully integrated since January 2021), all specializing in the **manufacturing of high quality hydraulic fittings and cold formed ferrules**, namely Tieffe (one of the largest European producers of carbon steel fittings), FB Hydraulic (leader in the production of hose fittings and in the assembling of flexible hoses and rigid pipes), MCS Hydraulics (specialized in the production of stainless steel fittings) and Raccorfer (a cold forming technology specialist). **Hydro Holding is the largest independent manufacturer of hose fittings in Europe and enjoys a comprehensive product offering with a full range of fittings for flexible hoses, adaptors, assembled hoses and rigid pipes for high-pressure hydraulic systems with main applications in agriculture, construction, mining, material handling and transportation.**

MISSION

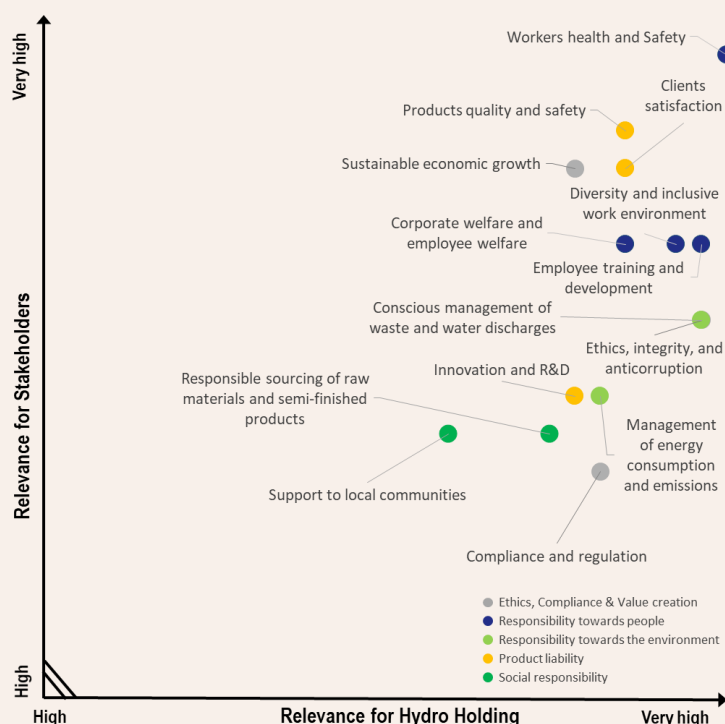


The main objective of the Company is to understand and anticipate customer needs by developing partnerships aiming at developing specific technical solutions for serving promptly and qualitatively the customer along all the relationship phases, from the order to the after sales service.

STRATEGY



HYDRO HOLDING – 2020 MATERIALITY MATRIX



RELEVANT ESG TOPICS

ENVIRONMENTAL

- Conscious management of waste and water discharges
- Management of energy consumption and emissions

SOCIAL

- Workers health and safety
- Product quality and safety
- Clients satisfaction
- Employee training and development

GOVERNANCE

- Sustainable economic growth
- Ethics, integrity, and anticorruption
- Compliance and regulation

HYDRO HOLDING – ESG PERFORMANCE

ENVIRONMENTAL					
GRI	KPI	UoM	2020	2019	2018
GRI 302-1	Energy consumption within the organization ¹	GJ	11,810	13,645	19,860
GRI 305-1	Direct GHG emissions (Scope 1 and Scope 2) ¹	tCO ₂	799	1,032	1,571
GRI 305-2					
GRI 306-2	Waste by type and disposal method	t	1,194	1,306	1,580

MAIN POLICIES AND PROCEDURES IN PLACE

None

SOCIAL					
GRI	KPI	UoM	2020	2019	2018
GRI 102-8	Information on employees and other workers as of 31.12 ➤ of which with permanent contract	n.	244 99	247 98	249 96
GRI 102-41	Rate of employees covered by collective bargaining agreements	%	98	98	98
GRI 401-1	Rate of new employees hire	%	0	9	19
	Rate of employee turnover	%	1	10	18
GRI 403-9	Rate of work-related injuries ²	n.	16.0	12.6	15.0
GRI 405-1	Diversity of employees (percentage of women in the company as of 31.12)	%	41	40	40

MAIN POLICIES AND PROCEDURES IN PLACE

ISO 9001 certificate for all the Italian production sites

GOVERNANCE					
GRI	KPI	UoM	2020	2019	2018
GRI 205-3	Confirmed incidents of corruption	n.	0	0	0
GRI 206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	n.	0	0	0
GRI 307-1	Fines and non-monetary sanctions for non-compliance with environmental laws	n.	0	0	0
GRI 405-1	Diversity of governance bodies as of 31.12 ➤ 30-50 years old in the Board	%	44	44	44
GRI 419-1	Fines and non-monetary sanctions for non-compliance with laws in the social and economic area	n.	0	0	0

MAIN POLICIES AND PROCEDURES IN PLACE

Ethic code
Organisation and management model ex decree 231/01 for the Italian parent company

POTENTIAL IMPROVEMENTS

Adoption of a common 231 model and code of ethics by the end of 2021

Achieved

All plants ISO 14001 and ISO 45001 certified by 2022.

In progress

Implementation of welfare initiatives by 2020 for the Castello d'Argile plant:

- Laundry service
- Affiliation with gyms and medical centers

Achieved

1. As a result of improved data mapping, the 2019 data has been restated from those published last year.
2. H&S data referring to GRI 403-9 includes Italy only.

NOVAMONT- OVERVIEW

Novamont is an Italian company, global leader in the production of biodegradable bioplastics from renewable sources and in the development of other bioproducts and biochemicals. Novamont Group counts three production sites and three research centers in Italy, four commercial subsidiaries, a representative office in Brussels and a global network of distributors to promote sales in more than 40 countries around the world. In 2021, Novamont acquired BioBag International, a world-leader in the development, production and marketing of certified compostable and biodegradable applications, with 135 employees. Since 2008 Novamont publishes its Sustainability Report in order to:

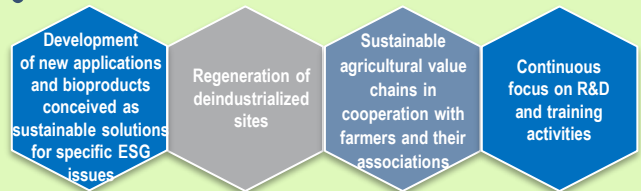
- Communicate its vision and mission
- Communicate its strategy and efforts on economic, social and environmental sustainability
- Provide quantitative information about economic, social and environmental impacts of its business
- Communicate with all the stakeholders.
- Since 2020 Novamont is a “Società Benefit” and B-Corp certified

MISSION



Novamont wants to encourage the transition from a product-based economy to a system-based economy. This new sustainable development model is rooted in local areas with soil, water and their regeneration at its core.

STRATEGY



NOVAMONT – 2020 MATERIALITY MATRIX



RELEVANT ESG TOPICS

ENVIRONMENTAL:

- Product chain and production sustainability
- Local regeneration and soil protection

SOCIAL

- Responsibility to collaborators
- Compliance and quality of product
- Innovation

GOVERNANCE:

- Integrity and stability of the business

NOVAMONT – ESG PERFORMANCE



ENVIRONMENTAL

GRI	KPI	UoM	2020	2019	2018
GRI 302-1	Energy consumption within the organization	GJ	1,300,863	1,176,338	1,206,576
GRI 303-3	Water withdrawal	ML	12,274	10,710	11,365
GRI 305-1	Direct GHG emissions (Scope 1 and Scope 2)	tCO _{2e}	83,738	74,062	77,388
GRI 306-2	Waste by type and disposal method	T	13,686	10,778	11,093

MAIN POLICIES AND PROCEDURES IN PLACE

ISO 14001 for all Italian sites
ISO 9001 for all Italian sites
ISO 45001 e OHSAS 18001 for all Italian sites



SOCIAL

GRI	KPI	UoM	2020	2019	2018
GRI 102-8	Information on employees and other workers as of 31.12 ➤ of which with permanent contract	n.	479 97	458 97	450 96
GRI 401-1	Rate of new employees hire	%	8	6	10
GRI 403-9	Rate of employee turnover	%	4	4	5
GRI 403-9	Rate of work-related injuries	n.	0.5	0.8	1.4
GRI 404-1	Training hours	n.	~8,500	>13,000	>12,000
GRI 405-1	Diversity of employees (percentage of women in the company as of 31.12)	%	24	23	23

MAIN POLICIES AND PROCEDURES IN PLACE

5% of revenue invested in R&D (In 2019)



GOVERNANCE

GRI	KPI	UoM	2020	2019	2018
GRI 205-3	Confirmed incidents of corruption	n.	-	-	-
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	n.	-	-	-
GRI 307-1	Fines and non-monetary sanctions for non-compliance with environmental laws	n.	-	-	-
GRI 405-1	Diversity of governance bodies as of 31.12 ➤ 30-50 years old in the Board	%	22	22	22
GRI 419-1	Fines and non-monetary sanctions for non-compliance with laws in the social and economic area	n.	-	-	-

MAIN POLICIES AND PROCEDURES IN PLACE

Organisation and management model ex decree 231/01 for Italian companies

POTENTIAL IMPROVEMENTS

B-Corp score improvement

Achieved

Sustainable procurement project (through Ecovadis platform)

In progress

Development of the benefit KPI and the related report (benefit company)

In progress

Group B-Corp certified by 2020

Achieved

Participation to UN Global Compact by 2020

Achieved

RINO MASTROTTO GROUP - OVERVIEW

Over its seventy years of history, **Rino Mastrotto Group (RMG)** has established itself as a **renowned brand in the field of tanning hides**. With a well-organized and sustainable production, it **satisfies the complete cycle of tanning from the purchasing of selected raw materials to the wide and specialized production of customized products for the leather good, footwear, furniture and car upholstery segments**.

The Group's headquarter is located in Trissino, in one of the main leather processing districts nationwide. Made up of several production divisions (Calbe-Brusarosco, Basmar, Pomari, Area Fashion) and with two production sites in Brazil and Sweden, Rino Mastrotto Group satisfies the entire tanning cycle and serves the international market. In particular, 59% of sales are generated out of Italy and this percentage further increases on a see-through basis as many clients are fashion brands which produce in Italy, but sell most of their goods in the global market. In 2020, as a sign of trust in Italian craftsmanship and excellences, the Group acquired Nuova Osba, a leader company in the leather sector and a symbol of made in Italy manufacturing¹.

MISSION

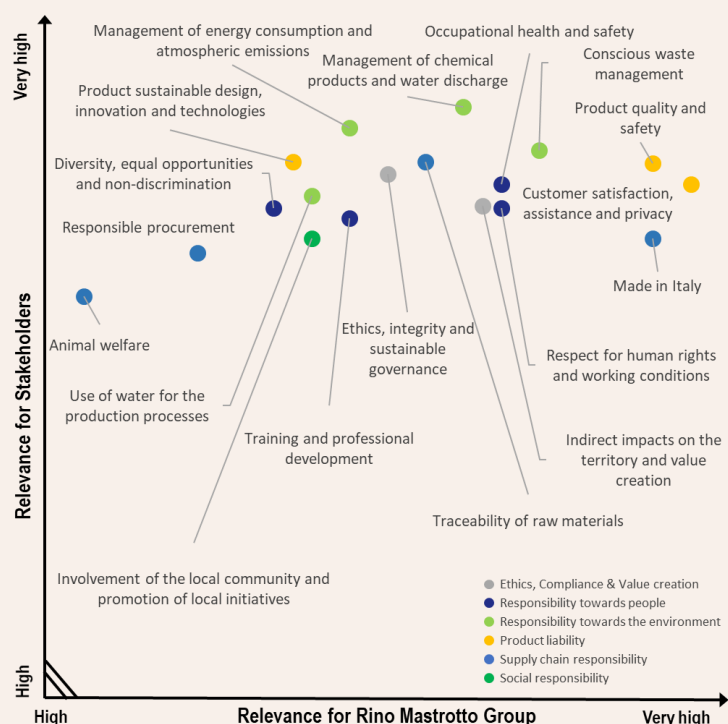


Rino Mastrotto Group aims at enhancing the value proposition of the industry through high-quality products, services and processes with innovative features, sustainably manufactured.

STRATEGY



RINO MASTROTTO GROUP – 2020 MATERIALITY MATRIX



RELEVANT ESG TOPICS

ENVIRONMENTAL

- Conscious waste management
- Management of chemical products and water discharge
- Management of energy consumption and atmospheric emissions

SOCIAL

- Customer satisfaction, assistance and privacy
- Product quality and safety
- Made in Italy

GOVERNANCE

- Indirect impacts on the territory and value creation
- Ethics, integrity and sustainable governance

1. For the purposes of this Report the company Nuova Osba has not been included in 2020 reporting perimeter.

RINO MASTROTTO GROUP – ESG PERFORMANCE



ENVIRONMENTAL

GRI	KPI	UoM	2020	2019	2018
GRI 302-1	Energy consumption within the organization ¹	GJ	364,964	391,455	424,014
GRI 303-4	Water discharge	ML	1,358	1,369	1,362
GRI 305-1	Direct GHG emissions (Scope 1 and Scope 2) ¹	tCO _{2e}	22,836	24,902	25,233
GRI 306-2	Waste by type and disposal method	t	16,570	20,178	26,736

MAIN POLICIES AND PROCEDURES IN PLACE

ISO 14001:2015 (all Italian divisions and Elmo Sweden AB)
Traceability Policy (Basmar Division only)
Chemical Management project by Zero Discharge Hazardous



SOCIAL

GRI	KPI	UoM	2020	2019	2018
GRI 102-8	Information on employees and other workers as of 31.12 ¹ ➤ of which women	n. %	940 22	874 23	873 23
GRI 401-1	Rate of new employees hire Rate of employee turnover	% %	22 15	16 15	18 15
GRI 403-9	Rate of employees work-related injuries	n.	10,7	14,3	12,6
GRI 404-1	Training hours	n.	5,953	4,128	11,745
GRI 405-1	Diversity of employees (percentage of employees under 30 years old in the company as of 31.12)	%	23	20	20

MAIN POLICIES AND PROCEDURES IN PLACE

+15 Innovation projects up to now



GOVERNANCE

GRI	KPI	UoM	2020	2019	2018
GRI 205-3	Confirmed incidents of corruption	n.	-	-	-
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	n.	-	-	-
GRI 307-1	Fines and non-monetary sanctions for non-compliance with environmental laws Diversity of governance bodies as of 31.12	n.	-	-	-
GRI 405-1	➤ Women in the Board ➤ 30-50 years old in the Board	% %	14 43	14 57	14 57
GRI 419-1	Fines and non-monetary sanctions for non-compliance with laws in the social and economic area	n.	-	-	-

MAIN POLICIES AND PROCEDURES IN PLACE

Code of Ethics and Code of Conduct applied to all entities within RMG, with reference to their commitment to fight deforestation
Organisation and management model ex decree 231/01 for Italian companies

POTENTIAL IMPROVEMENTS

Implement the Chemical Management project by Zero Discharge Hazardous Chemicals to the whole Group.

In progress

Traceability system to all divisions.

In progress (by 2021)

Consume energy only from renewable sources.

Achieved

Implement well-being initiatives (e.g. green living wall) in the Pomari division as already implemented for the Area Calbe-Fashion and Basmar divisions.

In progress (by 2021)

Conduct studies to quantify environmental impacts related to the lifecycle of seven products through Life Cycle Assessments (LCA) on selected sites.

In progress (by 2021)

Evaluate the extension of Leather Working Group (LWG) certification to all the Group's production sites.

In progress

Define a model for sustainability risk management with reference to ISO 26000 "Guide to Social Responsibility" and ISO 31000 "Risk Management, Principles and Guidelines".

In progress

1. As a result of improved data mapping, the 2019 data has been restated from those published last year.

GRUPPO UTECO - OVERVIEW

Uteco is a global leading company in the **design, engineering and production of printing machines for flexible packaging**. It offers a complete range of printing machines - from **flexographic** machines for which it is leader in Italy and in US, to rotogravure and digital machines - as well as of **coating and laminating machines**. The Group sells to packaging companies worldwide, which print plastic film, paper and tissue mainly **for applications in consumer staples**. The Group's headquarter, based in Colognola ai Colli (Verona, Italy) and founded in 1985, covers an area of 75,000 square meters of production space, counting 4 plants. The Group has also a commercial office in Atlanta (GA) of about 1,000 square meters, which guarantees technological support, a spare parts warehouse and an area dedicated to machinery demonstrations to all North American customers. Uteco operates worldwide thanks to local branches in the major markets along with a good sales network strategically placed around world.

MISSION

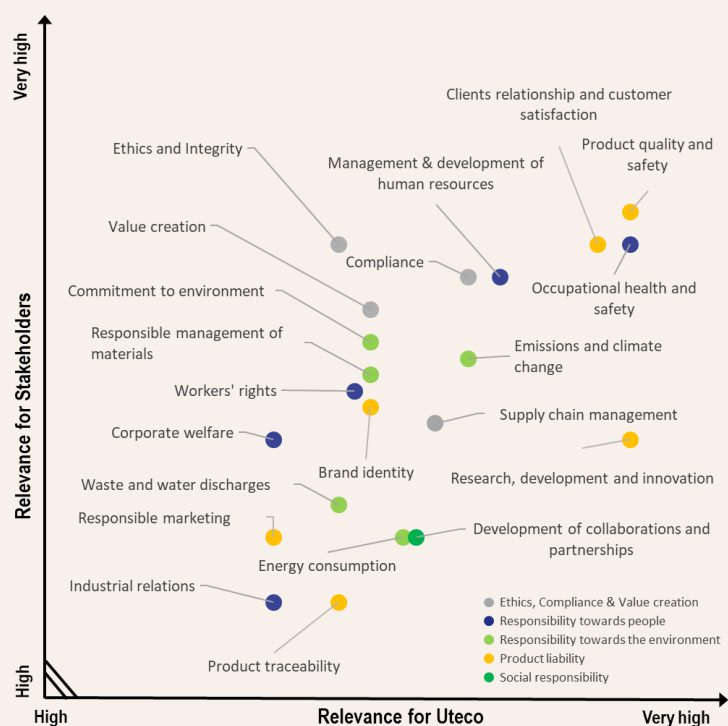


Support modern society in the development of new lifestyles by enabling innovation and packaging sustainability.

STRATEGY



GRUPPO UTECO – 2020 MATERIALITY MATRIX



RELEVANT ESG TOPICS

ENVIRONMENTAL

- Emissions and climate change
- Commitment to environment
- Responsible management of materials

SOCIAL

- Product quality and safety
- Clients relationship and customer satisfaction
- Occupational health and safety

GOVERNANCE

- Compliance
- Ethics and Integrity
- Value creation

GRUPPO UTECO – ESG PERFORMANCE



ENVIRONMENTAL

GRI	KPI	UoM	2020	2019	2018
GRI 302-1	Energy consumption within the organization ¹	GJ	27,452	31,026	36,107
GRI 303-3	Water withdrawal	ML	700	690	679
GRI 305-1	GHG emissions (Scope 1 and Scope 2) ¹	tCO _{2e}	1,827	2,181	2,370
GRI 306-2	Waste by type and disposal method	t	799	1,145	1,192

MAIN POLICIES AND PROCEDURES IN PLACE

Impact assessment procedure
Waste and spill procedure



SOCIAL

GRI	KPI	UoM	2020	2019	2018
GRI 102-8	Information on employees and other workers as of 31.12 ➤ of which women	n. %	311 13	315 13	304 13
GRI 401-1	Rate of new employees hire	%	5	8	18
	Rate of employee turnover	%	6	5	8
GRI 403-9	Rate of employees work-related injuries	n.	12.0	13.4	9.4
GRI 405-1	Diversity of employees (percentage of employees under 30 years old in the company as of 31.12)	%	11	12	8
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	n.	-	-	-

MAIN POLICIES AND PROCEDURES IN PLACE

Performance and salary reviews process



GOVERNANCE

GRI	KPI	UoM	2020	2019	2018
GRI 205-3	Confirmed incidents of corruption	n.	-	-	-
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	n.	-	-	-
GRI 307-1	Fines and non-monetary sanctions for non-compliance with environmental laws	n.	-	-	-
GRI 405-1	Diversity of governance bodies as of 31.12 ➤ 30-50 years old in the Board	%	50	33	33
GRI 419-1	Fines and non-monetary sanctions for non-compliance with laws in the social and economic area	n.	-	-	-

MAIN POLICIES AND PROCEDURES IN PLACE

Ethic code
Organisation and management model ex decree 231/01 for Italian companies

POTENTIAL IMPROVEMENTS

Proactively contribute to the green development of the new frontiers of packaging, to minimize its ecological impact on the environment and in the service of preserving food for the health of consumers of the new millennium.

In progress

Continuous R&D development of products and technologies, starting from the enhancement of historical know-how vs. continuous innovation.

In progress

Implementation of professional, technologically advanced, motivated and determined teams.

In progress

1. As a result of expanded reporting scope, the 2019 and 2018 data has been restated.