

GENERALI REAL ESTATE LOGISTICS FUND S.C.S., SICAV-SIF

Article 10 Disclosure – EU Sustainable Finance Disclosure Regulation (“SFDR”)

INTRODUCTION

In accordance with Article 10 of the SFDR, this document provides a description of the environmental and social characteristics promoted by **GENERALI REAL ESTATE LOGISTICS FUND S.C.S., SICAV-SIF** (the “**Partnership**”) and the methodologies that are used to assess, measure and monitor these characteristics. Generali Investments Luxembourg S.A. is the manager and AIFM of the Partnership (the financial market participant responsible for the publication of this disclosure under SFDR) (the “**Manager**”) and Generali Real Estate SGR S.p.A. acts as the portfolio manager of the Partnership (the “**Portfolio Manager**”). Defined terms used in this disclosure (unless defined herein) are as set out in the private placement memorandum pertaining to the Partnership.

INVESTMENT OBJECTIVE OF THE COMPARTMENT

The Partnership’s investment objective is to invest, directly or indirectly, in a diversified portfolio of logistics Real Estate Assets located across Europe, in order to deliver an attractive capital return and long term secure income. Whereas a proportion of the portfolio may be invested in urban distribution hubs serving the last miles of the distribution chain, the predominant focus of the Partnership is on acquiring, managing and developing large modern grade A logistics assets, located:

- a) in, or close to, densely populated areas; or
- b) in the vicinity of air- or seaports; or
- c) nearby manufacturing areas.

The investment objective of the Partnership is to deliver a 7% leveraged annual total return, net to Investors. This target return will be driven by a combination of income return and capital growth. Furthermore, the objective of the Partnership is to seek income growth above inflation and deliver to investors a long term and stable distributed income return of above 4%. Furthermore, the objective is to create a balanced portfolio of logistics assets with a target total gross asset value of EUR 2,000,000,000 within a 5-year period as from the Formation Date (an indicative portfolio of 60-70 assets). The Partnership aims to achieve attractive financial risk adjusted return alongside the promotion of the environmental characteristics set out in below using the binding elements described below and ensuring good governance of investee companies on the basis of the policies described below.

Once the Partnership has invested 80% of its targeted aggregate amount of Total Commitments (EUR 2,000,000,000) the Manager or the Portfolio Manager will ensure that the Partnership invests, directly or indirectly, no less than 51% of the then current NAV into Certified Real Estate Assets. Moreover, the Partnership will not invest in Real Estate Assets involved in the extraction, storage, transport or production of fossil fuels, to the extent this is relevant in the light of the Partnership’s investment policy.

ENVIRONMENTAL AND SOCIAL CHARACTERISTICS OF THE COMPARTMENT

The Partnership promotes the following environmental characteristics: (i) reduction of greenhouse gas emissions, (ii) reduction of energy consumption intensity, and (iii) increase in exposure to energy-efficient assets. The Partnership aims to invest with preference in Certified Real Estate Assets and other Real Estate Assets promoting the Partnership’s environmental characteristics.

Once the Partnership has invested 80% of its targeted aggregate amount of Total Commitments (EUR 2,000,000,000), the Manager or the Portfolio Manager will ensure that the Partnership invests, directly or indirectly, no less than 51 % of the then current NAV into Certified Real Estate Assets (aligned with environmental and social characteristics).

The Manager, Portfolio Manager or Investment Advisor will apply GRESB Real Estate Benchmark (to the Partnership’s operating Real Estate Assets) respectively GRESB Real Estate Development Benchmark (to the Partnership’s Real Estate Assets under development) as reference benchmark to determine the alignment of the Partnership’s portfolio of Real Estate Assets with its environmental characteristics.

METHODOLOGIES USED TO ASSESS, MEASURE AND MONITOR THE COMPARTMENT’S ENVIRONMENTAL AND SOCIAL CHARACTERISTICS

In order to achieve the objective of promoting the above environmental characteristics, the Manager, Portfolio Manager or Investment Advisor ensures that the promotion of these environmental characteristics by a Real Estate Asset held directly or through an Investment Vehicle is taken into account at each stage of its investment cycle by (i) performing a Sustainable Due Diligence (SDD) and a Counterparty Screening prior to the acquisition of a Real Estate Asset, (ii) benchmarking the Partnership’s portfolio of Real Estate Assets to GRESB Real Estate Benchmark respectively GRESB Real Estate Development Benchmark (iii) collecting data on the sustainability indicators set out below and (iv) reporting on the Real Estate Asset’s resulting ESG performance as set out below.

For each Real Estate Asset held by the Partnership directly or through an Investment Vehicle the Manager, Portfolio Manager or Investment Advisor will collect data on certain sustainability indicators described below. The specific metrics for these sustainability indicators are selected from standardized catalogues and supplemented by personalized metrics with regard to the individual Real Estate Asset. The Partnership applies the metrics on a case by case basis, for each potential Real Estate Asset, as relevant for such Real Estate Asset. Please note that the Manager, Portfolio Manager or Investment Advisor is committed to analyze consumptions data and is working to make sure that a growing number of tenants of Real Estate Assets will grant access to their data on consumptions, but this data can be accessed by Manager, Portfolio Manager or Investment Advisor solely after an authorization being granted by the respective tenant. The following sustainability indicators have been selected to measure the attainment of the environmental characteristics promoted by the Partnership by the portfolio of Real Estate Assets on an ongoing basis:

- Greenhouse gas emissions generated by electricity, heating and cooling systems measured/estimated through amount of CO₂ emission produced annually (kilograms and kilograms for square meter);
- Energy consumption intensity generated by electricity, heating and cooling systems measured/estimated through kWh and kWh/sqm;
- Energy inefficiency measured by certain consumptions criteria which are based on estimates, market standards and additional research leveraging third party data providers, external experts.

For Real Estate Assets held by the Partnership the Manager, Portfolio Manager or Investment Advisor will also benchmark the Partnership’s portfolio of Real Estate Assets to GRESB Real Estate Benchmark respectively GRESB Real Estate Development Benchmark.

Finally, the Manager, Portfolio Manager or Investment Advisor will disclose the resulting performance of the Real Estate Assets through an ESG reporting shared (on annual basis) with the investors.

Where the Real Estate Assets are made through Investment Vehicles or investments are made in Eligible Funds, the Manager, Portfolio Manager or Investment Advisor will assess that these entities follow good governance practices using the following policies:

- **“Counterparty Screening”**: The Manager, Portfolio Manager or Investment Advisor will analyse whether the counterparty (seller or purchaser of a Real Estate Asset or co-investor in a transaction to acquire or sell a Real Estate Asset) is involved in (i) controversies which potentially infringe the principles of United Nations Global Compact (serious or systematic human rights and/or labour rights violations, severe environmental damages or gross corruption and bribery) and/or (ii) controversial business sectors (armaments and weapons violating fundamental humanitarian principles, coal) and take into account the results of this analysis and its impact on the individual investment in the investment process.
- If an investment is made in an Eligible Fund the Manager, Portfolio Manager or Investment Advisor will collect and analyse an available ESG rating of the fund manager/sponsor of the Eligible Fund aimed at measuring the respective company's resilience to long-term, industry material ESG risks.