



**SUMMARY OF THE
SUSTAINABILITY POLICY
OF EURIZON CAPITAL REAL ASSET SGR S.p.A.**

March 2021

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1. INTRODUCTION

As a financial markets participant, Eurizon Capital Real Asset SGR S.p.A. ("Eurizon Capital Real Asset" or "SGR") has a fiduciary commitment with its Clients and Investors and, more in general, with other stakeholders, that requires problems related to sustainability to be managed effectively, with particular reference to returns on financial products and to the assets in which it invests. Eurizon Capital Real Asset believes that the companies and third-party Asset Managers in which it invests that adopt high standards at a social, environmental and corporate governance level are capable of generating sustainable performance in the long term.

This Policy describes the methodologies adopted by the SGR in order to include sustainability risk analysis¹ in its own Investment Process regarding investment choices made in the framework of collective asset management and portfolio management services.

With these methodologies, specific processes, which are appropriately calibrated based on the characteristics and objectives of the individual products managed, that take into account environmental, social and governance (ESG) factors, and principles of Sustainable and Responsible Investments (SRI) are adopted.

The criteria for selecting and monitoring issuers based on ESG and SRI profiles combine traditional financial analyses of the risk/return profiles which the SGR considers when making its investment choices, in order to (i) avoid environmental, social and governance conditions from having an actual or potential significant negative impact on the value of investments of managed assets, and to (ii) lever sustainable growth opportunities.

This document represents the Policy on integrating sustainability risks in the Investment Process of Eurizon Capital Real Asset pursuant to Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability related disclosures in the financial services sector ("Sustainable Finance Disclosure Regulation" or "SFDR") and related implementing regulations.

Eurizon Capital Real Asset has started activities to define due diligence policies that take into account the main negative effects of investment decisions on sustainability factors. These policies will be made available from 30 June 2021 onwards, considering the impossibility of adequately assessing negative impacts due to the still pending finalisation of the applicable legal framework.

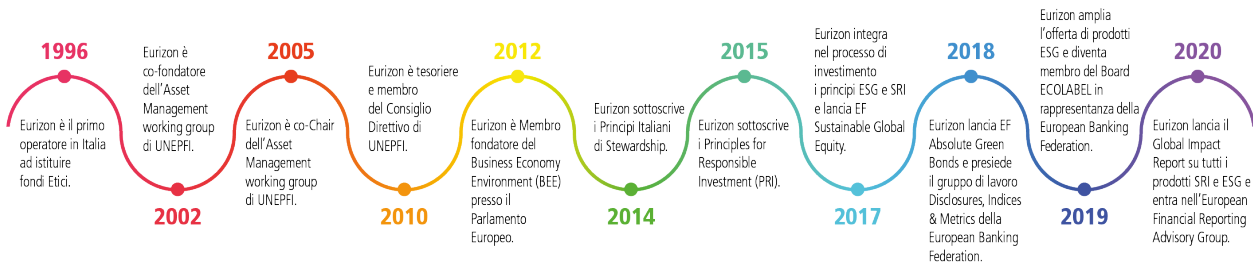
2. EURIZON'S COMMITMENT TO THE SUSTAINABILITY OF FINANCIAL SERVICES

The vision and mission of the Intesa Sanpaolo Group's Asset Management Division underlines the importance for Companies belonging to it to work with investees in order to promote rules and a conduct that focus on the sustainability aspects of investments and promote high standards of governance of investee issuers.

The SGR believes that companies which take account of ESG factors in their own strategies and operating models have a greater likelihood of obtaining sustainable profits over time, and thus of increasing their value, both in economic and financial terms.

¹ An environmental, social or governance event or condition that, if it occurs, could have an actual or potential significant negative effect on investment value.

Below are the fundamental stages of the Asset Management Division's commitment to ESG and SRI issues, starting from 1996, the year when the first ethical funds were placed on the Italian market:



3. ROLES AND RESPONSIBILITIES IN THE PROCESS TO SELECT AND MONITOR ESG AND SRI CRITERIA

To promote the correct adoption of its Sustainability Policy, Eurizon Capital Real Asset assigns specific responsibilities to the following corporate bodies and functions:

CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER

The Chief Executive Officer and General Manager, assisted by competent company entities, formulates proposals for the Board of Directors on methodologies to integrate sustainability risks in the Managed Products Investment Process.

This position periodically monitors the adoption of the SGR's Sustainability Policy.

BOARD OF DIRECTORS

Based on proposals from the Chief Executive Officer in the framework of the Investments Committee, the Board defines the methodologies to select and monitor financial instruments in order to integrate the analysis of sustainability risks in the Managed Products Investment Process.

The Board monitors the correct adoption of the SGR's Sustainability Policy at regular intervals.

INVESTMENTS COMMITTEE

The SGR's Investments Committee is an advisory body assisting the Chief Executive Officer and General Manager - with specific reference to integrating the analysis of sustainability risks in the Investment Process - (i) in drawing up the proposals to be submitted to the Board of Directors regarding sustainability policies, (ii) in monitoring the exposures of assets with respect to ESG/SRI criteria.

HEAD OF INVESTMENTS

The Head of Investments monitors investments, issuers and target UCIs, based on information obtained, where relevant, also from info providers specialised in ESG issues, and from lists identified by Eurizon Capital SGR S.p.A. referred to issuers considered as "not socially responsible".

COMPLIANCE & AML FUNCTION

The Compliance & AML Function monitors compliance with the SGR's Sustainability Policy, supervising the correct adoption of safeguards contemplated in internal and external regulations.

RISK MANAGEMENT FUNCTION

The Risk Management Function monitors the sustainability risk of managed products.

For this purpose, the Function:

- analyses the methodologies to select and monitor the financial instruments adopted by the SGR with the aim of integrating sustainability risk analysis in its own Investment Process;
- monitors the sustainability risks of financial products.

4. SCOPE OF APPLICATION

This Policy applies to all managed products - mutual funds and portfolio management - that, in precontractual disclosure explain the procedures for including sustainability risks in investment decisions, in compliance with the transparency requirements in Article 6 of Regulation (EU 2019/2088).

Mandates characterised by the presence of specific indications in their respective investment policies do not fall within the scope of application, considering the lower degree of discretion in the selection of financial instruments.

5. INTEGRATION OF SUSTAINABILITY RISKS IN THE INVESTMENT PROCESS

In line with Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector, the SGR has defined specific methodologies to select and monitor financial instruments aiming at integrating sustainability risks in the Investment Process.

The sections below describe the safeguards adopted by Eurizon Capital Real Asset, in line with the following criteria:

- SRI exclusions: direct investments connected with companies operating in sectors considered "not socially responsible" to whom exclusions concerning the Investment Universe of managed assets are applied ("SRI Binding screening"); the exclusions are applied to all active management products; issuers operating in sectors considered "not socially responsible" are companies with an evident, direct involvement in the manufacture of unconventional weapons (*Anti-personnel mines; Cluster bombs; Nuclear weapons*²; *Impoverished uranium; Biological weapons; Chemical weapons; Non-detectable fragment weapons; Blinding lasers; Incendiary weapons; White phosphorous*) or in the thermal coal sector;
- ESG/SRI screening of the CIUs of third-party Asset Managers: analysis of the level of integration of SRI and/or ESG factors and related sustainability risks in the process to select and monitor the target UCIs of third-party fund houses. In this context, the SGR analyses the level of integration of SRI and/or ESG factors and related sustainability risks in the context of: (i) the endorsement of the Principles for Responsible Investment (PRI); (ii) the decision-making and investment processes of Asset Managers, in compliance with Article 6 of Regulation (EU) 2019/2088; (iii) investment proposals, by requesting documentation supporting the due diligence process, and ESG monitoring of investments. This information - obtained directly from Asset Managers and/or specialized info-providers - is used as one of the elements considered for the approval of investments, and as a possible selection criteria by, among others, the Company's Analysts.

Considering the nature of the SGR's business, of mainly selecting (i) Alternative Investment Funds of other management companies (multi-managers) with a focus on private equity, private debt, infrastructure and property, (ii) co-investments and (iii) direct investments in unlisted equity instruments, these restrictions apply to investments that take place after the Sustainability Policy has come into force.

6. MANAGEMENT MANDATES TO THIRD-PARTY FUND HOUSES

If the financial management of one or more products is delegated to a third-party fund house with respect to the Asset Management Division, the SGR verifies, based on the initial and ongoing due diligence process overseen by competent entities of the Company, that the third-party Managers adopt policies conforming to the requirements of applicable regulations on sustainability risk management.

7. POLICY REVIEW AND PUBLICITY

The SGR's Sustainability Policy is reviewed at least annually by the Investment entities, coordinating with the Compliance & AML Function and competent entities of the SGR, in order to assess the consistency of the methodologies adopted by the SGR in relation to developments in national and international best practices.

Any changes are notified to the Investments Committee before being submitted to the Board of Directors.

² Issuers based in States that are not signatories to the "Treaty on the Non-Proliferation of Nuclear Weapons" of 1 July 1968 are not considered.

8. REPORTING

In compliance with indications in applicable regulations, the SGR gives its clients/investors and other stakeholders an Overview of the Sustainability Policy, and any significant amendment to said, which is available at www.eurizoncapital.it/pages/policy-eurizon-capital-real-asset-sgr-spa.aspx.

This document is originally written in Italian language. In case of discrepancy between the original Italian text and the present English translation, the Italian version will prevail.