



Sustainability Report 2023

Being Eurizon

Our Mission

We enhance our customers' savings by creating and managing investment solutions tailored to their needs.

We transform the complexity of financial markets into opportunities.

We collaborate with investee companies to promote respect for sustainable growth and high standards of governance. Reliability, innovation and high-quality service are our defining characteristics.

Our Vision

We are committed to spreading a culture that promotes the value of people, their aspirations, and savings at large: a financial humanism based on respect, accountability and awareness of one's own qualities.

Our Purpose

Innovating to invest in your future, that is our passion.



Sustainability Report 2023

Eurizon Capital SGR S.p.A.

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Share Capital 99,000,000.00 euro fully paid up Tax code and registration no. with the Register of Companies 04550250015 Company belonging to the "Intesa Sanpaolo" VAT Group, VAT No. 11991500015 (IT11991500015) Registered in the Register of Asset Management Companies, at No. 3 in the UCITS Managers Section and at No. 2 in the AIF Managers Section Company subject to the management and coordination activities of Intesa Sanpaolo S.p.A. and a member of the Intesa Sanpaolo Banking Group, included in the National Register of Banking Groups Sole Shareholder: Intesa Sanpaolo S.p.A. Member of the National Guarantee Fund

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Introduction

Eurizon Capital SGR S.p.A. (hereinafter "Eurizon Capital", or the "Company" and, together with the subsidiaries, "Eurizon", or the "Asset Management Division"), as a financial market participant and financial advisor, has a fiduciary duty to its Customers and Investors and, more generally, to its Stakeholders that requires it to effectively deal with the issues relating to sustainability, with particular reference to the returns on its financial products and to the issuers in which it invests its assets under management.

Eurizon's mission underlines the importance of cooperating with the companies in which it invests in order to promote sustainable growth and high standards of governance.

Through the Sustainability Report, published on a voluntary basis since the financial year 2020, the Company reports and provides its Stakeholders with the main results in relation to sustainable development and performance related to the non-financial aspects of the Asset Management Division.

In order to ensure a robust approach to reporting on non-financial issues, the Company has prepared this document according to the Global Reporting Initiative (GRI) standard following the "in accordance"¹ option.

1. For further details, see the "Methodological Notes" on page 106.

Letter from the Chairman and Chief Executive Officer



Andrea Beltratti
Chairman

// While we are aware of the complexity of the issues to be addressed and the time required to pursue them, we believe that sustainable growth represents an opportunity for innovation and value creation. //

Dear Stakeholders,

2023 was characterised by the global implementation of tight monetary policies by Central Banks, aimed at curbing inflation, with consequences on the cost of corporate capital and on the volatility of the market in which we operated. The investments required for the energy transition, characterised by a long pay-back term by nature, were particularly affected by this change in monetary policy, which pushed some companies as far as having to postpone their implementation.

As with the market scenario, the past year has also proved to be complex on the sustainability front: while on the one hand, both the speed at which technological progress is realised and the evolution of the costs associated with the transition and regulatory developments remain uncertain, on the other hand, this year we have witnessed so-called 'anti-ESG' phenomena targeted not only at climate change policies, but also at social issues, such as *Diversity & Inclusion* and *governance* practices, questioning some globally established principles.

Despite the complexity of this picture, the assets of our sustainability-conscious products² grew to 73.3% of fund assets under management during the year, demonstrating the continued interest of investors, as well as the resilience of our ESG and SRI investment strategies, which are geared towards sustainable growth over time.

2. Products pursuant to Articles 8 and 9 of Regulation (EU) 2019/2088 (so-called SFDR).

In 2023, we also made a commitment to significantly strengthen our presence in the corporate life of investee issuers, significantly increasing the number of corporate meetings we attended and influencing decisions related to energy transition and sustainability issues more generally.

The increased effort on dialogue with companies is consistent with joining the *Net Zero Asset Managers Initiative* in 2021, with which Eurizon has defined its commitment to establish a proactive dialogue with issuers identified as relevant in order to encourage them to adopt corporate strategies that enable the progressive achievement of the objectives set by the Paris Agreement. Additionally, the past year also saw our participation in major international initiatives such as *Climate Action 100+*, *Nature Action 100* and *PRI Advance* in order to take an increasingly active role in the debate on climate change mitigation, the conservation and preservation of biodiversity and the defence of fundamental human rights.

While we are aware of the complexity of the issues to be addressed and the time required to pursue them, we believe that sustainable growth represents an opportunity for innovation and value creation. We are satisfied to see that, over the years, sustainability has gradually become a topic of increasing interest among investors, companies and authorities, blurring the lines between economics, politics and geo-politics.

At Eurizon, we believe that sustainability can be a key resource for personal and collective growth in the medium and long term, based on responsible and transparent communication with our *Stakeholders*.



Saverio Perissinotto
Chief Executive Officer
and General Manager

// At Eurizon, we believe that sustainability can be a key resource for personal and collective growth in the medium and long term, based on responsible and transparent communication with our Stakeholders. //

The key numbers of 2023



381 Billion €

of Asset Under Management

16.9%

Market
share in
Italy



73.3%

Share of fund assets in products
pursuant to Articles 8 and 9 SFDR

54.5%

as at December 2022



306

Products pursuant to
Art. 8 and 9 SFDR

232

Products
in 2022



592

Engagement with companies,
of which

~40%

on ESG issues



18,641

Resolutions on the agenda voted on

91%

Shareholders'
proposals
supported



Data source: Eurizon processing. Assogestioni for the market share in Italy (December 2023).



44%

Women out of total employees

50%

of the new
hires in 2023
are women



22,928

Training hours to employees

31

Average hours per
employee in 2023

PROJECTS AND INITIATIVES



46

Companies contacted in
the context of "Net Zero"
Engagements

155

Target
companies
to be
engaged
by 2030



Over **4** Million €

donated since 2016

over
180

Supported
projects



About us



Identity and Values of the Asset Management Division

Eurizon, as the leading company of the Asset Management Division of the Intesa Sanpaolo Group (hereinafter also the “Group” and Intesa Sanpaolo S.p.A. the “Parent Company”), is Italy's leading asset manager in Italian funds; with a widespread international presence, it has been innovating, growing and expanding its business for more than 35 years.

MISSION

We **enhance** our customers' savings by creating and managing investment solutions tailored to their needs.

We **transform** the complexity of financial markets into opportunities.

We **cooperate** with companies that we invest in to promote respect for sustainable growth and high standards of governance.

Reliability, innovation and a **bespoke** service are our distinguishing features.

VISION

We are committed to **spreading a culture that promotes the value of people, their projects, and savings at large**: a financial humanism approach based on respect, accountability and awareness of one's own qualities.

PURPOSE

Innovating to invest in your future, that is our passion.

Our values



Structure of the Asset Management Division

Headed by Eurizon Capital SGR, Italy's leading asset manager in Italian funds, the Intesa Sanpaolo Group's Asset Management Division has a widespread presence both nationally and internationally through its subsidiaries. Eurizon operates worldwide through:

Eurizon Capital S.A., a Luxembourg-registered asset manager dedicated to the development of the foreign market, with commercial offices in France, Germany, Switzerland and Spain;

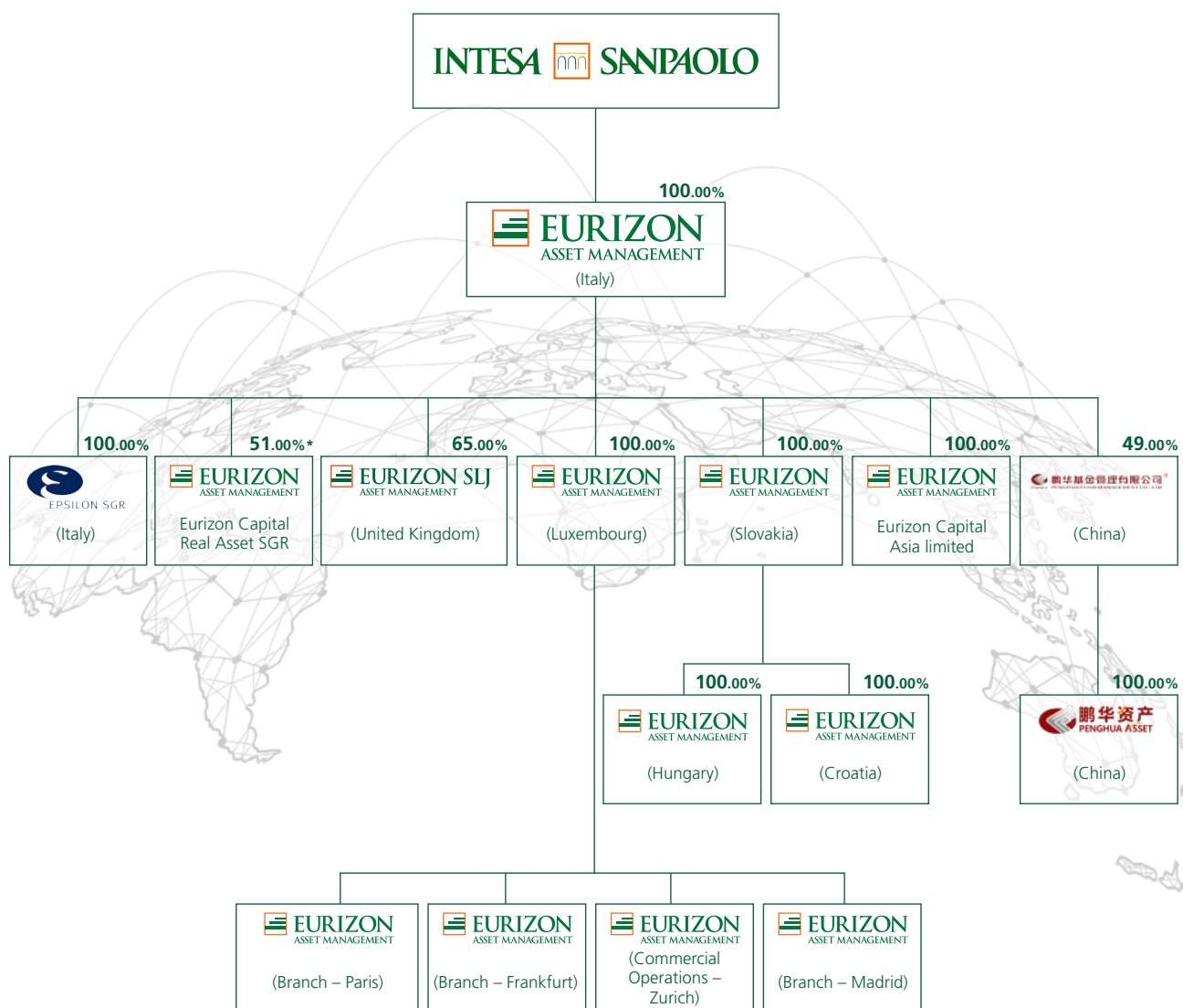
Epsilon SGR, specialised in quantitative and structured management;

The **Eastern European Countries HUB**, focused on the respective local markets (Eurizon Asset Management Slovakia, Eurizon Asset Management Hungary and Eurizon Asset Management Croatia);

Eurizon SLJ Capital LTD, a UK asset manager focused on currency management, emerging market investments with particular reference to China and eastern emerging markets, and macroeconomic research;

Eurizon Capital Real Asset SGR, dedicated to alternative asset classes with expertise in multi-manager operations, co-investments and direct equity investments;

Eurizon Capital is also present in Asia through **Eurizon Capital Asia Limited** based in Hong Kong and its affiliate **Penghua Fund Management** (China)³.



* 51% of voting rights, 20% of the share capital.

3. On 27 November 2023 Penghua Fund Management (PFM) acquired the entire share capital of Penghua Asset Management (PAM).

Geographical presence

Eurizon is present in **25 countries**, with **9 management centres** on a global scale: the leading company Eurizon Capital SGR, the subsidiaries Epsilon SGR and Eurizon Capital Real Asset SGR based in Italy and the other 6 management centres based abroad.

Eurizon's international presence and the constant exchange among offices allow it to speak a common language in all operating areas.

9 MANAGEMENT CENTRES

ITALY

(3 management centres)

LUXEMBOURG

UNITED KINGDOM

SLOVAKIA

HUNGARY

CROATIA

CHINA

25 COUNTRIES

ALBANIA

AUSTRIA

BELGIUM

CHINA

CHILE

CROATIA

DENMARK

FINLAND

FRANCE

GERMANY

HONG KONG

ITALY

LUXEMBOURG

NORWAY

NETHERLANDS

PORTUGAL

UNITED KINGDOM

SINGAPORE

SLOVAKIA

SLOVENIA

SPAIN

SWEDEN

SWITZERLAND

TAIWAN

HUNGARY

During 2023, Eurizon ⁴ and Intesa Sanpaolo Bank Albania were the first intermediaries to receive a licence from the Albanian Supervisory Authority to offer Albanian citizens mutual funds under European law selected by Eurizon.

4. Through its Luxembourg-registered subsidiary Eurizon Capital S.A..

Governance

Eurizon Capital SGR S.p.A. adopts a traditional governance model that includes a Board of Directors and a Board of Statutory Auditors.

The running of Eurizon Capital SGR's Board of Directors is governed by specific regulations and the BoD is responsible for resolving on the company's policies, taking into account the strategies defined by the Parent Company Intesa Sanpaolo and the relevant directives set forth by the latter. Within this framework, the BoD:

- **examines and approves** the strategic industrial and financial plans of the asset management division;
- **oversees** the implementation of the related projects;
- **reviews and approves** the budget for the year.

The Board of Directors is also responsible for the definition of the internal organisational structure conducive to the pursuit of the company's policies, and in accordance with primary and secondary regulations in force, for the assessment on an ongoing basis of the overall operating performance, making use of the data and information contained in the documentation submitted to its attention at each board meeting.

The Board of Directors is also responsible for supervising operations both in terms of the results achieved and in terms of its correctness and consistency with the investment process defined by it.

The Board of Statutory Auditors is the Company's auditing body and is responsible for supervising the Directors' activities and checking that the management and administration of Eurizon Capital SGR are carried out in compliance with the law and the memorandum of association.

BOARD OF DIRECTORS

The Board of Directors is appointed for a period not exceeding three financial years and at the end of 2023 (the reference year of this Report) it was composed of two female and six⁵ male members, with a prevalence of Directors over 50 years of age (75%) and a percentage of Directors between 30 and 50 years of age equal to 25%. Only the Chief Executive Officer and General Manager holds executive duties.



The Company's Board of Directors includes six Independent Directors who are assigned the specific role of monitoring and preventing conflicts of interest. To this end, they carry out their own assessments and express opinions on the adequacy of the measures and procedures for the management of conflicts of interest defined by the Board of Directors, as well as on the matters specifically assigned to them by the Self-Government Code and the relevant internal procedures, as well as on any additional cases of potential conflict of interest identified by them.

Board members are mainly assigned duties in the economic field, with specialisation in the financial and corporate area, and in the legal field: to ensure an adequate level of knowledge on topics falling under their ordinary management, the Board's powers are regularly updated and developed by sharing content or specific training sessions internally, including those aimed at consolidating knowledge of the external and internal context, including in terms of sustainability.

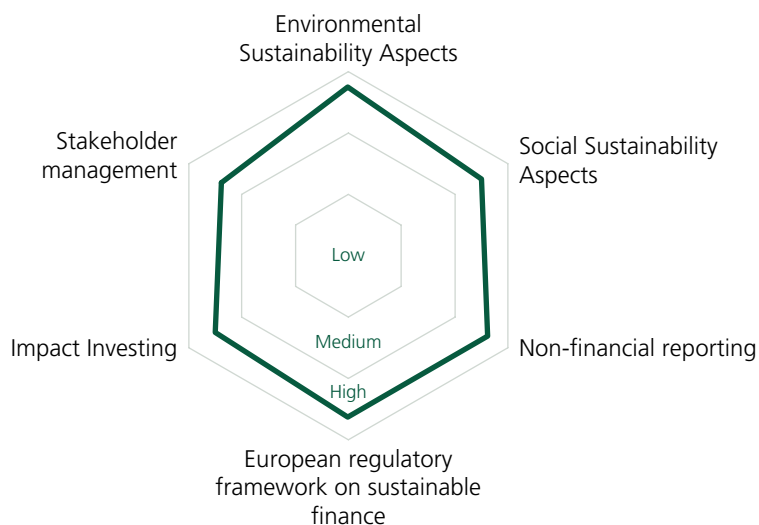
5. On 30 June 2023, a Director resigned from the offices held.

NAME	GENDER	OFFICE	ROLE TYPE	INDEPENDENCE	NUMBER AND NATURE OF OTHER OFFICES ⁶
Andrea Beltratti	M	Chairman and Legal Representative	Non-executive		3 of which one as Full Professor of "Political Economy" at Luigi Bocconi University in Milan, one as Director of the Executive Master in Finance at SDA Bocconi, one as Director of the European Fund and Asset Management Association.
Daniel Gros	M	Deputy Chairman Chairman of the Remuneration Committee and of the Investment Supervision Committee	Non-executive	Independent	3 of which one as Member of the Board of the Centre for European Policy Studies (CEPS), one as Advisor to the European Parliament and one as Chairman of the Board of Directors of Eurizon Capital S.A.
Saverio Perissinotto	M	Chief Executive Officer and General Manager	Executive		5 of which Chairman of the Board of Directors of Epsilon SGR S.p.A., Eurizon Capital Real Asset SGR S.p.A., Eurizon SLJ Capital LTD, Deputy Chairman of the Board of Directors of Eurizon Capital S.A. and Deputy Chairman of Assogestioni.
Gino Nardozzi Tonielli	M	Member of the Committee of Independent Directors and of the Remuneration Committee	Non-executive	Independent	2 of which one as Director in Intesa Sanpaolo Provis S.p.A..
Marco Ventoruzzo	M	Chairman of the Committee of Independent Directors and Member of the Risk Committee	Non-executive	Independent	5 of which one as full professor of commercial law at Bocconi University in Milan and Director of the Department of Legal Studies at the same university, and one as Director at Fideuram Asset Management SGR.
Fabrizio Gnocchi	M	Member of the Remuneration Committee	Non-executive	Independent	1 as a lawyer with law firm in Pavia specialising in criminal-administrative and civil law matters
Francesca Culasso	F	Member of the Risk Committee and of the Investment Supervision Committee	Non-executive	Independent	3 of which one as Full Professor of Business Economics at the Department of Management of the University of Turin, of which she is also Director since 2018, one as Director at Equiter S.p.A. and one as Director at Intesa Sanpaolo Innovation Center S.p.A. The following 3 positions in the field of sustainability are also worth mentioning: Director of the 2nd level Master's Degree Course of the Management Department at the University of Turin, in "D-ESG and Impact Manager" (years 23/24), Chairman of the Risk and Sustainability Control Committee of Iren SPA, and Member of the Risk Control and Sustainability Committee of SanLorenzo SPA
Maria Luisa Cicognani	F	Member of the Investment Supervision Committee	Non-executive	Independent	5 of which one as Chairman of the Remuneration Committee of TBC Group PLC (LSE listed company), one as Chairman of the Remuneration Committee of TBC Bank JSC (Georgia), one as Chairman of Mobius Investment Trust (LSE listed company, constituent of the FTSE All-Share Index) and one as Non-Executive Chairman of Arafa Holding (Cairo Listed company). The following 2 positions in the field of sustainability are also worth mentioning: Chairperson of Mobius Investment Trust and Member of the Supervisory Board of Chapter Zero Ukraine and Caucasus.

The Board of Directors is responsible for the supervision and monitoring of investment sustainability issues and of its business model. In line with the above, the members of the Company's Board of Directors completed a self-assessment questionnaire on their environmental, social and impact competences, and in accordance with the existing regulatory framework. These assessment areas were identified by the Company on the basis of the reference operating context and the principles set forth by the alliances and initiatives it subscribed to. For example, with regard to competences related to environmental sustainability issues, the self-assessment focused on the impacts of **climate change mitigation and adaptation and biodiversity conservation** within the financial sector; on the other hand, with regard to social sustainability issues, specific reference was made to **human rights, diversity, digitisation and the use of artificial intelligence** within the financial sector. In addition, the self-assessment took into account regulatory developments in sustainable investment and non-financial reporting, as well as recognising the centrality of investments capable of generating positive environmental and community impacts and the broader role of the Board of Directors in managing relations with Stakeholders.

6. Only offices deemed particularly significant are listed.

Sustainability competencies of the Board of Directors



SUSTAINABILITY TRAINING INITIATIVES

With the aim of promoting the maintenance of an adequate level of awareness among corporate bodies, taking into account both the growing demand for sustainability-conscious products and a complex scenario that is still going through a consolidation phase, Eurizon has promoted specific induction initiatives dedicated to the Directors and Statutory Auditors of the companies belonging to the Asset Management Division which planned the delivery of 3 sessions dedicated to sustainability in the financial services sector and the related developments:

- a training course coordinated by the Parent Company entitled "**Board members induction programme - ESG Sustainable Lending and Investments**", aimed at Italian subsidiaries (May 2023) and international subsidiaries (July 2023);
- a session dedicated to the subsidiary Eurizon Capital SA entitled "**Developments on Sustainability**" (December 2023).

For the appointment and selection of the members of the Board of Directors, in compliance with currently applicable regulations, the Company makes use of the Intesa Sanpaolo Group's governance model, which centralises the appointment of the subsidiaries' corporate bodies within the Parent Company. In this regard, the Parent Company adheres to principles and rules that encourage a strict application of the guidelines promoted by the sector's Supervisory Bodies and of the best market practices to ensure that the governance of subsidiaries is adequate in terms of structure, organisation and composition of the corporate bodies, taking into account the characteristics of each company. Moreover, with reference to the subsidiary asset management companies, the Parent Company also complies with the guidelines set forth in the Bank of Italy's Supervisory Provisions on management and coordination, and therefore promotes and verifies the application at the subsidiary asset management companies of the best corporate governance practices, paying special attention to the composition of corporate bodies, the level of pro-

fessionalism of the representatives, the number and role of independent directors, as well as the balance between executive and non-executive directors; to this end, any corporate governance codes defined by trade associations are also taken into consideration.

The Chairman, whose office cannot be cumulated with that of the Chief Executive Officer, is appointed by the Board of Directors, unless the Shareholders' Meeting has already done so. The Chairman promotes the smooth running of the Board, ensures the balance of powers and encourages internal debate, acting as the interlocutor of the Board of Statutory Auditors and of the Board committees, and promoting an impartial dialogue between executive and non-executive members and the active participation of non-executive members in the Board's work.

The Board of Directors grants the Chief Executive Officer broad managerial authority to preside over all company operations⁷; internal operating powers are granted to the Heads of the four departments reporting directly to the Chief Executive Officer and are exercised within the scope of and in accordance with the indications and guidelines received from the latter.

At least on an annual basis, the Board of Directors⁸ undergoes a self-assessment to analyse aspects relating to the qualitative and quantitative composition and operation of its internal Board committees. This self-assessment process is based on objective elements and takes into account industry best practices. In particular, the self-assessment is broken down into several operational phases comprising: (i) a preliminary analysis phase, to check the status of implementation of any initiatives and/or corrective measures defined in the previous self-assessment exercise, (ii) a preliminary assessment phase, to collect information and data, by means of questionnaires, on the basis of which to carry out the assessment, (iii) a phase to process such data and information, (iv) a phase to prepare the outcomes of the process, with the identification of the strengths and weaknesses found, and formalisation of the same in a final self-assessment document, (v) sharing and discussion at Board level of the findings that emerged in the context of the Board of Directors' meeting, also with a view to preparing any consolidation actions, and (vi) formalisation of the outcomes of the process within the Board of Directors.



COMMITTEES

Eurizon's Board of Directors has set up four Board Committees:

- **Committee of Independent Directors**, with advisory, assessment and proposal duties relating to the management of conflicts of interest in the provision of the services for which the Company is authorised;
- **Remuneration Committee**, with proposal and advisory duties aimed at supporting the Board of Directors in activities concerning remuneration;
- **Risk Committee**, with advisory, assessment and proposal duties in relation to the supervision by the Board of Directors in the definition of the Company's risk management system;
- **Investment Supervision Committee**, with advisory, assessment and proposal duties in relation to the supervision of the investment process of products managed within the framework of the services provided by the company.

The Committees are composed of three independent directors⁹ appointed by the Board of Directors and meet at different intervals: the Risk Committee and the Investment Supervision Committee meet at least quarterly, the Remuneration Committee is convened by the Chairman at least once a year, and the Committee of

7. The Chief Executive Officer has delegated powers relating to commercial policies, the offering of products and services, organisational adequacy and the reporting-accounting system, in fulfilment of the tasks allocated to the Board of Directors under current legislation, personal data protection and, in particular, the role of Controller.

8. It should be noted that the Board of Statutory Auditors undergoes a similar self-assessment process.

9. It should be noted that, following the resignation of a Director on 30 June 2023, the Committee of Independent Directors currently consists of 2 members. The Remuneration Committee requires a minimum of three and a maximum of five non-executive members.

Independent Directors meets whenever the Board of Directors is called upon to resolve on matters within its remit.

In addition, the Company has also set up **internal committees of a technical-advisory nature** with the aim of overseeing specific material issues, including the Environmental, Social and Governance Committee (ESG Committee), which supports the CEO in the definition of the proposals to submit to the Board of Directors with regard to the Company's Sustainability Policy and monitors the implementation of the strategies covered by the latter, defining, where appropriate, any actions to mitigate the negative effects related to sustainability risks or assessing, among others, the possibility of initiating escalation processes with issuers.¹⁰

CONFLICTS OF INTEREST

Eurizon, in line with current regulations, has defined a specific **Conflicts of Interest Management Policy**, a summary of which is available on the Company's website which, in consideration of its internal organisation, the nature, size and complexity of its business, identifies the circumstances that give rise or could give rise to a conflict of interest that could adversely affect the interests of the UCIs managed, Customers or Investors of the Company.



The document, in addition to defining the procedures to be followed and the measures to be taken in order to prevent, manage and monitor such conflicts, also incorporates changes in the context in which the Company operates, the mapping of such circumstances and is reviewed on an annual basis. Eurizon has also voluntarily adhered to the **"Self-Government Code for the Management of Conflicts of Interest"** proposed by the trade association Assogestioni, with the aim of safeguarding the Company's decision-making and entrepreneurial independence in identifying conflicts of interest and the organisational measures and procedures for their efficient management.

In the provision of portfolio management and investment advisory services, where the organisational and administrative procedures adopted to prevent or manage conflicts of interest do not prove sufficient to ensure, with reasonable certainty, that the risk of harm to Customers' interests will be prevented, the Company shall ensure that Customers are clearly informed, prior to acting on their behalf, of the general nature and/or sources of conflicts of interest as well as the measures taken to mitigate the associated risks so that they can make an informed decision on the services provided. Regardless of the adequacy of the measures taken to date, the Company provides a disclosure to Customer at the pre-contractual stage, informing them of the type of conflict of interest that could arise. As far as the collective asset management service and the marketing of third-party UCIs are concerned, when the measures taken are not sufficient to prevent, with reasonable certainty, the risks of harm to the interests of one or more managed UCIs or Investors, such circumstance must be submitted to the attention of the competent corporate bodies for the purpose of adopting the necessary resolutions to ensure, in any event, that the Company shall act in the best interests of the UCIs or the Investors. The Company shall periodically make available to Investors, by means of an appropriate durable medium, a report on any such conflict situations, illustrating the decision taken by the Board of Directors and the reasons therefor.¹¹

REMUNERATION

The **Remuneration and Incentive Policies**¹² of **Eurizon Capital SGR S.p.A.** are prepared on the basis of the Remuneration and Incentive Policies of the Intesa Sanpaolo Group and are in compliance with European and national regulations in the asset management industry, as regards those aspects that are not in conflict with, not governed by or more restrictive than such regulations. As a "significant" manager, the Company has an obligation to apply all the more stringent regulatory requirements.



10. For further details, reference is made to the paragraph "Sustainability Governance" on page 32.

11. For further information, reference is made to the document "Summary of the Regulations for the management of conflicts of interest of Eurizon Capital SGR S.p.A." available on the [Company's website](#).

12. For further information, reference is made to the document "Summary of the remuneration and incentive policies of Eurizon Capital SGR S.p.A." available on the [Company's website](#).

Shareholders' Meeting

In addition to establishing the remuneration due to the bodies it appoints, with regard to the remuneration issue, it approves (i) the remuneration policies in favour of the members of the bodies with strategic supervisory, management and personnel monitoring duties; (ii) the plans based on financial instruments; (iii) the criteria for determining the remuneration to be paid in view of or on the occasion of the early termination of employment or the early termination of the office (so-called golden parachute), including the limits set on such compensation in terms of annual fixed remuneration and the maximum amount resulting from their application.

The shareholders' meeting is also provided, at least annually, with a report (i) on the methods used to implement the remuneration and incentive policies (so-called ex-post disclosure) and (ii) on the results of the audits conducted by the Internal Audit¹³ Function and on the adoption of any corrective measures.

The Board of Directors defines and submits to the Shareholders' Meeting and annually reviews the Company's Remuneration and Incentive Policies and ensures their consistency with the overall choices in terms of risk-taking, long-term strategy and objectives, corporate governance structure and internal controls. In this context, the Board of Directors is supported by the Remuneration Committee, which is composed of non-executive members, the majority of whom are independent (including the Chairman) and has advisory and proposal functions, and by the internal functions in the process of defining the Policies with regard to their management and the ex-ante and ex-post checks on their implementation.

More specifically, the Remuneration Policy requires the structure of the Company's personnel remuneration to include a fixed component defined on the basis of the employee's contractual framework, role, assigned responsibilities, and specific experience and skills, and a variable component, defined on the basis of the performance obtained. The variable component is linked to personnel performance, is symmetrical with respect to the results actually achieved and the risks prudently undertaken, and it is composed of a short-term variable component and a long-term variable component. The breakdown of the variable component of remuneration into a short-term and a long-term portion favours attraction and retention of resources, allowing to direct performance over a more than annual accrual period and to share the medium- to long-term results arising from the implementation of the Business Plan.

For employees identified as "Risk Takers"¹⁴, the variable component is paid through appropriate mechanisms that provide for deferred payment over time, the allocation of managed UCI units, as well as loyalty mechanisms and ex-post correction clauses. The deferred portion is subject to the employee remaining in the Group at the end of the deferral period/deadlines set for delivery of the managed UCI units, except in the case of termination of the employment contract, as well as to ex-post correction mechanisms, such as: (i) the so-called "malus conditions, under which the paid amount and/or the number of managed UCI units may be reduced up to zero in the year in which the deferred unit is paid; (ii) the activation of claw-back mechanisms, i.e. the return of bonuses already paid, in the presence of negative events directly attributable to the conduct of the individual that jeopardised the sustainability of the Company's results or of the managed assets; (iii) the absence of so-called individual compliance breaches - such as violations specifically sanctioned by the supervisory authorities, disciplinary measures, etc., which would result in the non-payment of the bonus pertaining to the year in which the compliance breach was committed and the cancellation of any deferred units whose vesting conditions relate to the same year.

Moreover, if discretionary pension benefits are introduced, they will be allocated to the beneficiaries in compliance with the regulations in force, pursuant to which they are incorporated into the variable remuneration.

13. The Audit function is outsourced to the Parent Company Intesa Sanpaolo.

14. The identification of the Risk Takers is carried out in line with the principles enshrined in the Bank of Italy Regulation of 5 December 2019 implementing articles 4-undecies and 6, paragraph 1, letters b) and c-bis), of the Consolidated Law on Finance.

Finally, the Company's remuneration and incentive policies are consistent with the provisions on sustainability risk integration pursuant to Regulation (EU) 2019/2088 on sustainability reporting in the financial services industry ("Sustainable Finance Disclosure Regulation" or SFDR). In particular, consistency with this Regulation is ensured at the level of the annual Incentive Systems by: (i) attributing within the scope of the Incentive System of all Group Risk Takers and corporate Risk Takers and Middle Management not belonging to the Managers' category a specific objective, among the strategic action objectives, linked to the Company's initiatives that take into account environmental, social and governance criteria (so-called "Environmental, Social and Governance criteria" - ESG); (ii) introducing for the population belonging to the Managers' category, a corrective mechanism of the bonus linked to the activity carried out in the area of sustainability risk management (so-called "sustainability corrective mechanism").¹⁵

INTERNAL CONTROL SYSTEM

The Company, in order to adopt an internal control system that guarantees an adequate and constant monitoring of operational risks and processes, has put in place three different levels of control, specifically:

- first-level controls (or line controls), conducted through the operational structures or by means of special automated systems;
- second-level controls, assigned to the compliance (Compliance & AML) and risk management (Risk Management) functions, which aim to ensure (i) compliance of company operations with regulations, including self-regulatory codes, and (ii) the proper implementation of the Company's risk management process and managed assets. The activities envisaged include the performance of systematic checks on specific activities or typical corporate procedures of the Company, specific checks and follow-up checks to verify the implementation of initiatives and measures aimed at resolving the problems highlighted, as well as the effectiveness and efficiency of the initiatives undertaken;
- independent third-level controls, assigned to the Internal Audit Function.



15. The sustainability corrective mechanism applicable to personnel belonging to the Managers' category is based on the comparison between the "sustainability rating class" of the managed portfolio (i.e. average score of the products managed by the individual Manager with reference to ESG criteria) and the relevant target identified (i.e. average score of the parameters - benchmark of the product or investment universe - associated with the Manager). For further information, reference is made to the document "Summary of the remuneration and incentive policies of Eurizon Capital SGR S.p.A. - 2023" available on the [Company's website](#).

Excellence in products and services

Eurizon's activities include the offer of mutual funds, both under Italian and foreign law, asset management, aimed at both retail and professional customers, as well as investment advisory services.

The Company provides a wide range of products and services tailored to meet the specific needs of each customer, each one characterised by a different management philosophy, style and risk/return profile.



BENCHMARK MANAGEMENT STRATEGIES

Offer of bond and equity products and services that adopt an active management style, with the objective of obtaining extra-returns compared to the benchmark over the set time horizon.



FLEXIBLE MULTIASSET AND MULTISTRATEGY STRATEGIES

Investment solutions broken down by asset class, investment instruments, geographical areas and sectors. They are characterised by diversification, active risk management and dynamic management.



QUANTITATIVE MANAGEMENT STRATEGIES

Quali-quantitative models developed in house that represent the economic cycle and the valuation profile. The models may be used to determine the weight of the individual *asset classes* within the portfolios and in selecting securities.



ALTERNATIVE STRATEGIES

Alternative Investment Funds (AIFs and Asset Management) aimed at institutional investors, family offices and High Net Worth Individuals (HNWI). Use of multi-manager strategies, co-investments and direct investments.

The commercial activity of promotion, sale and after-sales support associated with the products and services of the Companies in the Asset Management Division is developed nationally and internationally¹⁶, relying both on the Intesa Sanpaolo Group's internal networks (such as Banca dei Territori and Intesa Sanpaolo Private Banking) and on other selected bank placement agents (so-called "extra-captive") as well as major institutional customers (such as Intesa Sanpaolo Vita) and users of mutual funds outside the Group.



Eurizon Capital SGR, Milan - entrance details

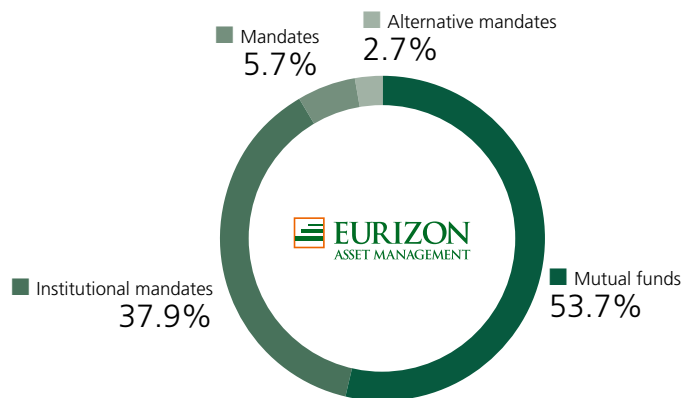
16. For a breakdown of the countries, reference is made to the paragraph "Geographical presence" on page 14.

Assets under management

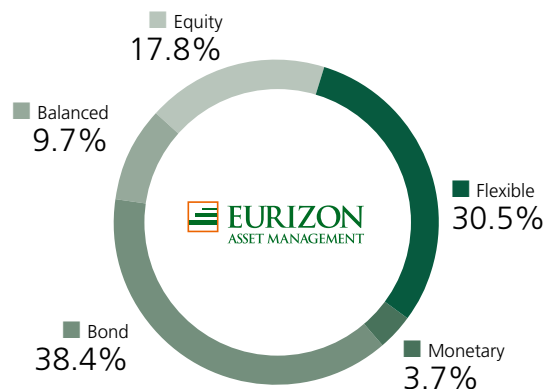
Eurizon, with total assets under management of **381¹⁷** billion euro in December 2023, is among the leading operators in Italy with a market share of **16.9%¹⁸** and a prominent player in the international Asset Management landscape, as also evidenced by the awards received in 2023.

16.9%
Market share
in Italy¹⁸

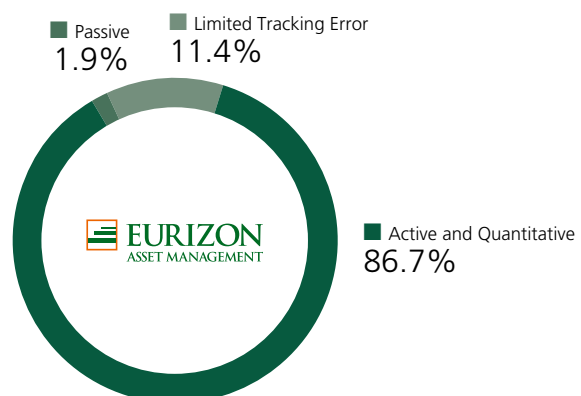
AuM by product type



AuM by asset class



AuM by management style



17. The figure refers to total assets under management and does not include the AUM of Penghua Fund Management.
18. Source: Assogestioni and Eurizon data processing as of December 2023.

Acknowledgements received in 2023



"Premio Alto Rendimento 2023" Award

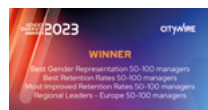
Eurizon won the "Big" Italian Funds award: runner-up in the "Best Manager" category



Refinitiv Lipper Fund Awards 2023

- **Epsilon Fund - Euro Bond** best fund in the **Bond EMU Government** categories at **3, 5 and 10 years** (*Nordics*)
- **Eurizon Fund – Absolute Active**, best **Absolute Return EUR Low** fund at **10 years** (*Austria*)
- **Eurizon Fund – Bond Aggregate RMB R** best **Bond Asia Pacific Local Currency** fund at **3 years** (*Switzerland, Germany, Austria, France, Nordics, Netherlands and Europe*).

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CityWire Gender Diversity Awards 2023

Eurizon won four awards, which testify to the commitment and consistency of gender policies at company level, for the 50 - 100 *managers* category:

- **Best Gender Representation**
- **Best Retention Rates**
- **Most Improved Retention Rates**
- **Regional Leaders – Europe**



CityWire Italia Fund Manager and Group Awards 2023

As part of the Fund Manager and Group Awards by Citywire Italia, which awards the 18 asset management professionals who have stood out in terms of their achievements in the various sectors, **a Eurizon fund manager** was awarded **first prize** in the **Fund Manager category, Bonds - Global** sector.



ESG.IAMA 2023

Eurizon took first place in Italy in the re-evaluation of the ESG.IAMA 2023 assessment held in early 2024, regarding the sustainability practices adopted. This evaluation showed an improvement in its positioning *vs peers*:

- Eurizon has become the leading Company in Italy (it was third)
- Eurizon rose to 8th/49 in the overall ranking (it was 24th/46)

For further information on the awards received, please refer to the "News" section of Eurizon's website: <http://www.eurizoncapital.com/it-IT/chi-siamo/news>.

Value creation and asset stability

The creation of long-term corporate value is one of Eurizon's founding values and translates into the pursuit of **Excellence**, i.e. the constant search for quality of the results and constant improvement of the measures adopted by the Company.

In the current economic and social context, in which attention to the environment and the transition to a digitalised and sustainable economy are urgent issues, the approach defined by Eurizon is organically structured and is applied:

- **to the financial sector**, by enhancing our Customers' savings, managing investment solutions suited to their needs and turning the complexity of the financial markets into opportunities for portfolios under management;
- **to Human Resources management** placing people at the centre of our business model, on the one hand focusing on health and safety in the workplace, workers' rights and gender equality, and on the other hand offering professional and quality training to all the Division's People and promoting everyone's professional development, enhancing their aptitudes and personal aspirations;
- **the relationship with Stakeholders** through the building of solid long-term relationships and supporting their individual and collective growth, also thanks to the *Stewardship* activities conducted with regard to the companies in which the managed assets are held, and support for local communities through devolution to charities in the third sector;
- **to the integration of Sustainability principles** into its processes and behaviour, by assessing the impacts of our actions and decisions in the medium/long term, integrating investment choices with the principles of social and environmental responsibility and good corporate governance.

Indeed, Eurizon believes that through the proper management of corporate operations and the pursuit of quality results, it is possible to prevent and mitigate any negative impacts that could compromise the ability to generate value, not only for shareholders, but for all Stakeholders.

The monitoring of long-term business value creation goes through the analysis of costs and revenues related to operational, customer management, innovation processes (e.g. investments in people and information systems) and related to regulatory developments.

More specifically, the Company's economic and financial performance is testament to its ability to create value and distribute it to Stakeholders over time. The financial year 2023 ended with a consolidated net profit, including minority interests, of 492.5 million euro (567.7 million euro in the financial year 2022 and 813.0 million euro in the financial year 2021).

381 € billion
Third-party assets
under management
and under delegated
management

	31.12.2023	31.12.2022	31.12.2021
Shareholders' equity	1,530,475,770	1,617,834,777	1,802,895,460
Number of shares	99,000,000	99,000,000	99,000,000
Profit for the period	492,475,864	567,696,576	813,012,649
Net fees and commissions	821,399,104	916,919,082	1,291,548,365
Net operating costs	230,849,074	208,402,268	242,042,346
Number of employees (actual workforce)	744*	726	764
Third-party assets under management and under delegated management ¹⁹	380,977,527,942	381,657,060,960	440,310,061,506
ROE ²⁰	38.50%	41.50%	73.8%
Operating costs/net commissions	28.10%	22.70%	18.7%
Net fees and commissions/assets under management	0.22%	0.24%	0.29%
Operating costs/assets under management	0.06%	0.05%	0.05%

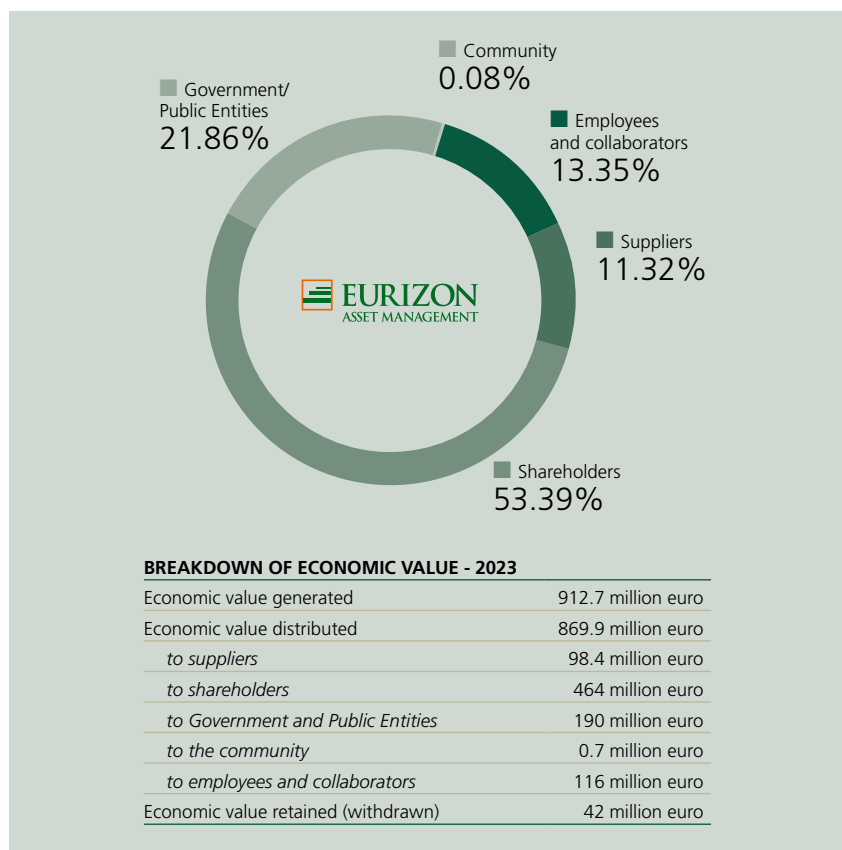
* The figure includes 1 resource hired under a staff-leasing contract and 1 resource resulting from partial secondments between the Companies of the *Asset Management Division* and the Parent Company.

19. Third-party assets managed by Eurizon Capital SGR and its subsidiaries.

20. Net profit / Average net monthly assets under management before accrued profit (loss).

DISTRIBUTION OF ECONOMIC VALUE GENERATED

The Economic Value Generated represents the wealth produced by the Company and is calculated from the data in the Consolidated Financial Statements. At the end of the year 2023, the indicator amounted to 912.7 million euro, which is equivalent to net profit from financial activities plus other operating income and expenses and income from equity investments. In 2023, the Economic Value Distributed to Stakeholders amounted to approximately 870 million euro, as detailed in the Economic Value determination and distribution prospectus.²¹



869.9 €
million euro
Economic value
distributed

21. For further information on the items relating to the Economic Value Generated and Distributed, reference is made to the Chapter "Tables of indicators" on page 92 and to the Company's Consolidated Financial Statements available on the Intesa Sanpaolo website.



Eurizon's
sustainable world



Our commitment over time

Eurizon's vision and mission underline the importance for all the companies belonging to the Asset Management Division of the Intesa Sanpaolo Group to cooperate with their investee companies to promote rules and behaviours that privilege sustainable investment aspects and promote high standards of governance of the issuers in which they invest. For more than 25 years at the forefront of promoting sustainable development, the process undertaken bears witness to a deep-rooted commitment to ethical and responsible issues.

In line with the "**Sustainability Policy**" and the "**Engagement Policy**", the Company believes that companies that take ESG criteria into account in the conduct of their business are more likely to generate sustainable profits and thus have a greater chance of increasing their value over time. Therefore, Eurizon encourages its investee companies to promote a behaviour that prioritises sustainability aspects and encourages the adoption of best corporate governance practices.

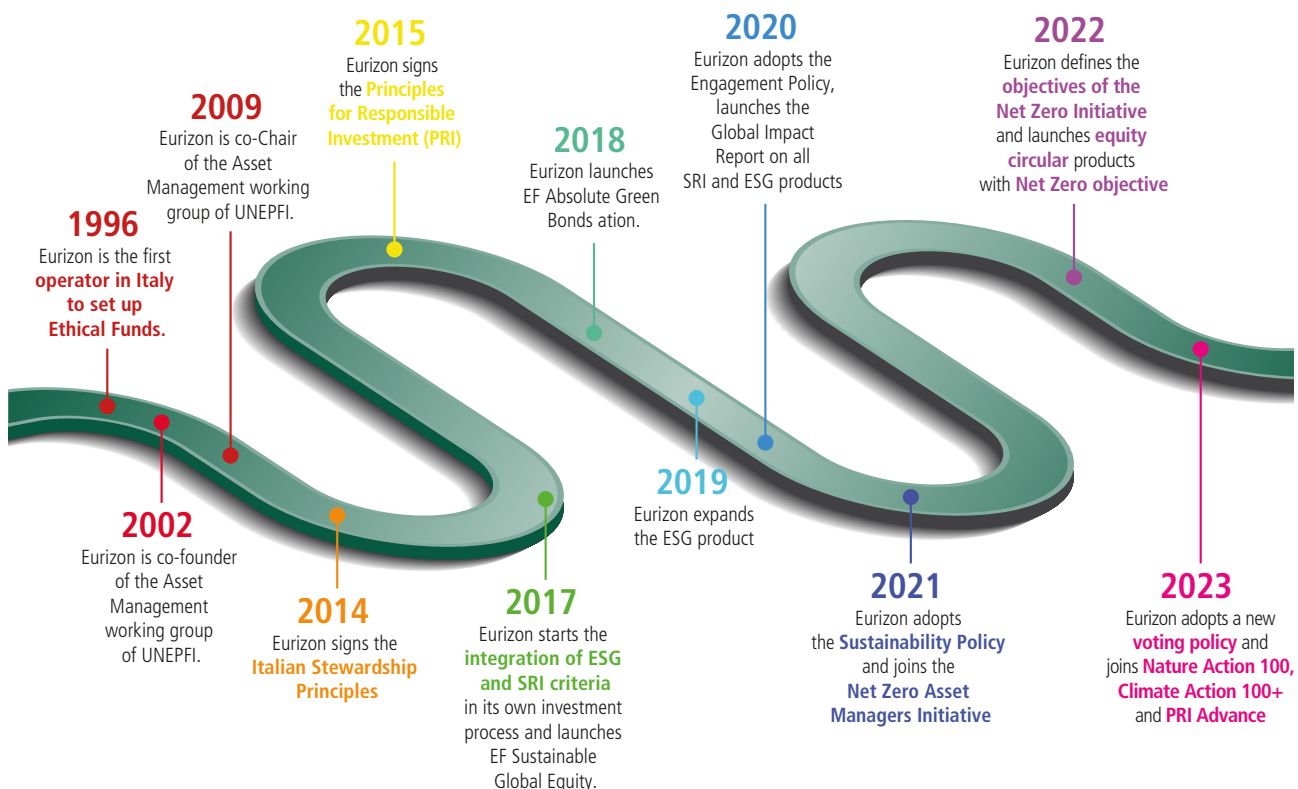
In keeping with the commitments undertaken by the Company as of 2021, through joining the **Net Zero Asset Managers Initiative** and through the definition of the related targets in 2022, as well as the integration of circular economy products into its offering and with the Net Zero objective in 2023, Eurizon Capital SGR joined two new international collective engagement activities:

- **Climate Action 100+**, which promotes the reduction of greenhouse gas emissions, in line with the Paris Agreement;
- **Nature Action 100**, which encourages the adoption of best practices to combat biodiversity loss and deforestation.

In addition, in 2023 Eurizon joined the **Advance** initiative promoted by UN PRI to emphasise the importance of respecting human rights, particularly with regard to the companies most exposed to such risks.

Net Zero Asset Managers Initiative

The Net Zero Asset Managers Initiative (or 'NZAMI') is the international initiative promoted by management companies aiming to direct their investments towards the achievement of net zero greenhouse gas ('GHG') emissions by 2050.



THE APPROACH TO SUSTAINABILITY

Eurizon integrates ESG criteria into the investment process through policies and procedures that govern its methods, in line with the Intesa Sanpaolo Group's approach to sustainability, with the aim of assessing the consistency of the methodologies adopted by the SGR with respect to the evolution of best practices developed at national and international level.

In 2021 Eurizon adopted its **"Sustainability Policy"**²², which describes the safeguards for integrating sustainability risks into the Investment Process²³ related to collective asset management and portfolio management services and recommendations made within the investment advisory service.

Furthermore, the Company, in order to govern its participation in the corporate life of the listed issuers in which it invests, has drawn up a **"Strategy for the exercise of participation and voting rights inherent in the financial instruments pertaining to the assets managed by Eurizon Capital SGR S.p.A."**, which describes the principles and conduct implemented by Eurizon Capital in the context of its Stewardship activities and in particular with regard to the exercise of voting rights.

In 2023, Eurizon Capital SGR updated the **"Engagement Policy"**²⁴, which describes the behaviours adopted to foster dialogue with issuers, overseeing the management of corporate governance issues, as well as environmental and social issues, in accordance with the applicable regulatory framework and the Italian Stewardship Principles endorsed. In this context, the Company has identified the following 'macro-issues', which cut across all industries, as priorities in developing a constructive dialogue with investee issuers:

- climate change mitigation and adaptation;
- mitigating biodiversity loss and combating deforestation;
- respect for human rights and combating the production of unconventional weapons;
- good corporate governance practices.

In accordance with regulatory provisions, in 2023 Eurizon published the updated version of the **"Statement on the main adverse effects of investment decisions on the sustainability factors of Eurizon Capital SGR S.p.A. and its subsidiaries"**, which describes the main indicators of adverse impact and how these are taken into account when making investment decisions.

The Company also adopted the Intesa Sanpaolo Group's **"Code of Ethics"**²⁵ which governs the general principles of conduct that the Company's key persons are required to observe in their relations with Stakeholders, customers, shareholders, collaborators and suppliers. In this context, the Code of Ethics is inspired by the principles of the Global Compact promoted by the UN, supporting, among others (i) the protection and safeguarding of human and workers' rights, according to the principles enshrined in the Universal Declaration of 1948 and through the recognition of the principles laid down by the fundamental Conventions of the International Labour Organisation, (ii) the fight against corruption and (iii) promoting the dissemination of environmentally responsible practices.

Eurizon has also implemented the **"Human Rights Principles"**, the **"Principles on Diversity and Inclusion"** and the **"Rules for combating sexual harassment"** of the Intesa Sanpaolo Parent Company, with the aim of promoting transparency in relations with its Stakeholders.

The sustainability policies and guidelines adopted by Eurizon Capital SGR are approved by the Board of Directors, reviewed regularly and made available to all Stakeholders on the Company's website²⁶. In order to promote the correct application of the commitments and responsibilities undertaken in its sustainability policies, Eurizon annually defines a training plan, which includes programmes designed to update its employees' knowledge and skills.

22. The summary of the Policy is available on the [company's website](#) in the Sustainability section.

23. Pursuant to Article 3 of Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector (the "Sustainable Finance Disclosure Regulation" or "SFDR Regulation") and the related implementing regulations.

24. The document is available on the [Company's website](#) in the Sustainability section.

25. Document available on the Intesa Sanpaolo website <https://group.intesasnpaolo.com/it/sostenibilita/governo-sostenibilita/codice-etico>.

26. Documents available on the [company's website](#) in the Sustainability section.

Sustainability Governance

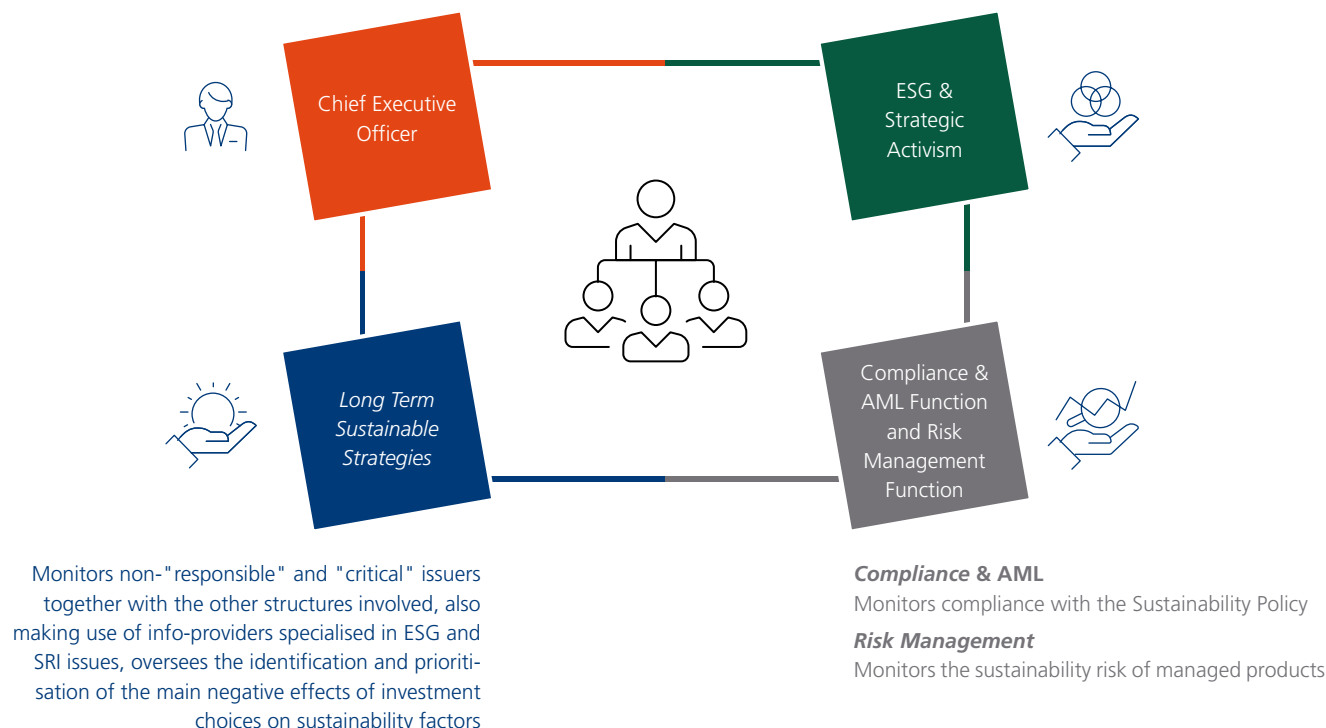
In line with the Materiality/Relevance analysis conducted, Eurizon recognises the importance of adopting decision-making processes that are conducive to effectively addressing sustainability issues. In this regard, the Company has defined a specific governance model that requires the involvement of corporate bodies and structures to which specific roles and responsibilities are assigned for the governance of sustainability risks.

More specifically, the Company adopts a so-called “hybrid” approach, which entrusts the ESG & Strategic Activism structure with the task of overseeing the dissemination and implementation of investment sustainability principles by promoting the integration of environmental, social and governance factors into the Investment Process, including in coordination with the other corporate structures, which are assigned specific responsibilities on the basis of the technical expertise they represent.



Formulates, with the support of the ESG Committee, proposals for the Board of Directors on the methods for selection and monitoring of the financial instruments and for the identification of the main negative effects of investment decisions

Oversees the dissemination and adoption of investment sustainability principles, promoting the integration of environmental, social and governance factors in the Investment Process



BOARD OF DIRECTORS



The Board of Directors approves the Company's sustainability policies and periodically checks the correct implementation thereof. More specifically, the Board defines, on the basis of the proposals formulated by the Chief Executive Officer and General Manager (i) the methodologies for selecting and monitoring financial instruments in order to integrate the analysis and management of sustainability risks within the Investment process of managed products, (ii) the methods for identifying the main negative effects of investment decisions on sustainability factors, defining priorities and mitigation actions, the results of which are formalised in the related disclosure²⁷ and (iii) the methods for integrating sustainability risks into the Remuneration and Incentive Policies. In addition, it annually evaluates the proposed donations and assesses the sustainability disclosures received, including this Sustainability Report.

CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER



Regarding the monitoring of investment sustainability issues and the integration of sustainability risks into the investment process, the CEO formulates, with the support of the Environmental, Social and Governance Committee ("ESG Committee"), proposals for the Board of Directors relating to the methods for (i) selecting and monitoring financial instruments aimed at integrating sustainability risks within the Investment Process of managed products, (ii) identifying the main negative effects of investment decisions on sustainability factors, including identifying priorities and related mitigation actions and "Eurizon Capital Principal Adverse Sustainability Impacts Statement", and (iii) integration of sustainability risks in Remuneration and incentive policies. Finally, it periodically monitors, in the context of the ESG Committee, the implementation of the Company's Sustainability Policy using the reports prepared by the ESG & Strategic Activism Structure.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE



The ESG (Environmental, Social and Governance) Committee is an advisory body assisting the Chief Executive Officer (i) in defining the proposals to be submitted to the Board of Directors with regard to sustainability policies, (ii) in monitoring the implementation of strategies involving the negative screening of SRI and ESG factors, the active integration of ESG factors, in the analysis, selection and composition of financial portfolios and in dealing with investee companies through the exercise of voting rights and engagement activities.

The ESG Committee:

- monitors, taking into account the available data, the final balance of the main environmental, social and governance indicators relating to the managed assets, defining the appropriate actions for the mitigation of the negative effects connected with sustainability risks;
- defines proposals for the Board of Directors regarding the priorities to be adopted for the following period;
- presents an annual statement of the main negative effects of investment decisions on sustainability factors.

In case of in-depth investigations, the ESG Committee is supported by the Sustainability Committee.

SUSTAINABILITY COMMITTEE



The Company has set up a Sustainability Committee, pursuant to the provisions of the Regulations for the management of mutual funds belonging to the Ethical System. In this context, and in consideration of the ethical principles that inspire the management activity, the Company avails itself of the collaboration of the Committee to ensure management choices comply with the ethical principles indicated in the Regulations. The Committee is independent and autonomous in relation to the Company and is made up of individuals with recognised integrity and morality. In line with the commitments outlined in the Sustainability Policy and the Engagement

27. "Statement on the main adverse effects of investment decisions on the sustainability factors", available on the [company's website](#).

Policy, the Sustainability Committee works with the relevant corporate structures on issues that may affect the Company as well as the different products managed.

In particular, the Committee is called upon to express opinions on proposals for the adoption or review of methodologies for selecting and monitoring financial instruments that take into account environmental, social and governance factors and Socially Responsible Investment principles.



FINANCIAL, CREDIT AND OPERATIONAL RISK COMMITTEE

The Financial, Credit and Operational Risk Committee is a collegial body, aimed at monitoring the exposure to risks of the products managed. With specific reference to sustainability risks, the Committee (i) monitors the results of the analyses of the impacts of sustainability risks on financial products carried out by the Risk Management Function with the support of the Long-Term Sustainable Strategies structure and (ii) monitors the possible actions to mitigate the negative effects connected with investment decisions.



LONG-TERM SUSTAINABLE STRATEGIES

The Long Term Sustainable Strategies structure of the Investments Department, under the coordination of the Head of Investment Solutions, monitors corporate issuers, also assisted by info providers specialised in ESG and SRI issues, in order to identify lists referred to (i) issuers considered as "not responsible" and/or (ii) with a high exposure to ESG risks ("critical issuers") and/or (iii) issuers who do not comply with good governance practices. With the support of the ESG & Strategic Activism structure, it oversees the identification and prioritisation of the main negative effects of investment choices on sustainability factors, making use of specific specialised info-providers. The results of the analyses relating to the impact of sustainability risks on financial products, carried out in coordination with the Risk Management Function, are presented to the Financial, Credit and Operational Risk Committee, which is responsible for monitoring and defining the measures for mitigating the adverse effects connected with investment decisions.



ESG & STRATEGIC ACTIVISM

The ESG & Strategic Activism structure of the Investment Department oversees the dissemination and adoption of investment sustainability principles, promoting the integration of environmental, social and governance factors in the Investment Process. It is responsible for developing and implementing company policies for SRI and ESG related issues, and for the correct deployment of the related operational process. It monitors market practices, proposing interventions to introduce innovations on corporate methodologies and processes to the Senior Management. The structure is divided into the following units:

- Corporate Governance unit, which (i) coordinates activities related to the management of shareholders' meetings in relation to the exercise of voting rights for shareholdings held by the assets managed by the Company, and (ii) carries out and monitors engagement activities with the relevant issuers related to corporate governance issues, coordinating - for environmental, social and ethical issues - with the Sustainability unit;
- Sustainability unit, which coordinates (i) the Company's strategy on Sustainability and Responsible Investment issues, providing support to Senior Management both in relation to the integration of environmental, social and governance factors in the Company's Investment Process, and in the design and implementation of new products and services, (ii) monitoring and engagement activities towards issuers, with particular reference to environmental and social issues, and supports the functioning of the ESG Committee.



GREEN AND SUSTAINABLE FINANCE

The Green and Sustainable Finance structure of the Investment Department, under the coordination of the Head of Fixed Income & FX, promotes the implementation of bond investment strategies that support environmental and sustainable projects.

MULTIMANAGER INVESTMENTS

The Multimanager Investments structure of the Investment Department, under the coordination of the Head of Investment Solutions, is responsible for the screening of target UCIs of third-party fund houses in relation to SRI and ESG factors.



COMPLIANCE & AML FUNCTION

The Compliance & AML Function monitors compliance with the Company's Sustainability Policy, supervising the correct adoption of safeguards contemplated in internal and external regulations. In this context, the Function also oversees compliance with the decision-making process and the operating limits aimed at containing risks, including reputational risks, of managed portfolios related to ESG and SRI issues.



RISK MANAGEMENT FUNCTION

The Risk Management Function monitors the sustainability risk of the products managed by coordinating - as regards the verification of compliance with the Operating Limits - with the Compliance & AML Function. In this context, the Function:



- proposes to Senior Management the appropriate tools and methodologies for sustainability risk management;
- analyses the methods for the selection and monitoring of the financial instruments adopted by the Company, with the aim of integrating the sustainability risk analysis within the Investment Process;
- monitors the impacts of sustainability risks on financial products.

DEVOLUTIONS COMMITTEE

The Devolutions Committee is an internal body established pursuant to the Regulations for the management of funds belonging to the Ethical System, which provides for the Company's commitment to finance humanitarian projects and initiatives, in the broadest sense of the term. To this end, the Committee supervises the devolution and charitable activities carried out at all levels by the Company and its subsidiaries and prepares proposals for the Board of Directors to identify charitable organisations deemed worthy.



During the year, Eurizon continued to invest in maintaining and expanding its competences on ESG issues, promoting specific training initiatives aimed at corporate bodies and the structures involved in the management of the safeguards set out in the Sustainability Policy. Specifically:

- for Board ongoing training purposes, two sessions of the **Board Member Induction Programme** were held, which involved members of the Boards of Directors of Italian and international companies;
- for the Executive Directors of the Division a **Compliance Talk** was held in relation to the ESG Profiles of Non-Financial Reporting;
- a **training session on Inclusive Leadership** was held for some of the Division's *Managers*;
- some Managers were identified for a **female leadership acceleration project** and a mentoring initiative within the framework of the **YEP programme** organised by Ortygia Business School.

A seminar was also organised **on the Sustainability Plan of the Group and the Division** focused on the targets achieved and the upcoming commitments in this regard.

ESG initiatives and partnerships

The Company is actively involved in national and international initiatives that promote the integration of sustainability principles by the financial sector.

More specifically, Eurizon participates in national and international working groups for the development of best practices in the ESG sphere as well as training events and conferences, with the aim of sharing its own experiences and developing its own safeguards.

Below are the initiatives in which the Company participates, including on behalf of its subsidiaries. In order to pursue the best interests of its investors, the Company considers the participation in engagement initiatives aimed at supporting the implementation of its Sustainability Policy.



SIGNATORY OF THE UNITED NATIONS PRINCIPLES FOR RESPONSIBLE INVESTMENT - UN PRI (SINCE 2015)

The United Nations Principles for Responsible Investment are 6 principles that signatories voluntarily undertake to follow in order to improve their performance through a series of measures aimed at integrating ESG criteria into their respective investment processes:

1. Incorporating environmental, social and governance factors in the analysis of investments and in the decision-making process
2. Including environmental, social and governance factors in its active ownership policy
3. Requesting its investee companies to provide appropriate disclosure on information about ESG factors concerning them
4. Promoting the acceptance and adoption of the Principles among investors
5. Working with the financial community to improve the effective adoption of the Principles
6. Reporting to the public on the activities and progress of the Company in adopting the Principles.



SIGNATORY OF THE ITALIAN STEWARSHIP PRINCIPLES PROMOTED BY ASSOGESTIONI (SINCE 2014)

Eurizon Capital SGR is a member of Assogestioni, the Italian Association of Asset Managers, and actively contributes to the working groups of the Managers' Committee, whose purpose is to present lists of candidates for the election of independent directors and statutory auditors of the issuers listed on the Italian Stock Exchange. Through the Italian Stewardship Principles, Assogestioni promotes the adoption of a series of high-level best practices capable of encouraging dialogue and collaboration

between management companies and the listed issuers in which they invest, with the aim of helping to develop a culture of good governance in these companies.

Eurizon Capital SGR adhered to the Stewardship Code promoted by the European Fund and Asset Management Association (EFAMA), in line with its signing in 2014 of the Italian Stewardship Principles promoted by Assogestioni. These Principles represent a support protocol for asset management companies in their monitoring and engagement activities and exercising of voting rights in the listed investee issuers in relation to:

- issuer's strategy and performance,
- ordinary corporate governance issues,
- corporate social responsibility and risk management.



MEMBER OF THE INSTITUTIONAL INVESTORS GROUP ON CLIMATE CHANGE - IIGCC (SINCE 2021)

IIGCC is the European body for cooperation among investors on climate change that aims to promote the reduction of greenhouse gas emissions.

In addition, Eurizon is a member of the Net Zero Engagement Initiative (NZEI), promoted by the IIGCC, an initiative that aims to provide a platform to accelerate and support engagement processes and enable investors to achieve the engagement goals they have set as part of their Net Zero commitments.



MEMBER OF THE NET ZERO ASSET MANAGERS INITIATIVE (SINCE 2021)

The Net Zero Asset Managers Initiative is the international initiative promoted by asset management companies committed to supporting the goal of achieving climate neutrality by 2050 (so-called "Net Zero"), in line with the commitments undertaken by the Member States that entered into the Paris Agreement, aimed at containing the impacts of climate change and mitigating the rise in temperatures to a maximum of 1.5°C by 2050.

In addition, as part of the commitment arising from participation in the NZAMI initiative, the objective related to the Stewardship will be able to be achieved through dialogue with investee companies to encourage them to undertake business decarbonisation paths and, progressively, to align themselves with the Net Zero scenario.



ORDINARY MEMBER OF THE FORUM FOR SUSTAINABLE FINANCE (SINCE 2021)

A non-profit association that aims to spread the knowledge and practice of sustainable investment, with the aim of encouraging the inclusion of environmental, social and governance (ESG) criteria in financial products and processes.

In 2023, Eurizon supported the "Say on Climate" manifesto promoted by the French Forum pour l'Investissement Responsable.



CDP SIGNATORY (SINCE 2004)



International non-profit organisation that helps companies and cities to disclose their environmental impact. In continuity with previous years, in 2023 Eurizon supported the following campaigns, promoted by CDP:

- "Non-Disclosure Campaign", aimed at encouraging transparency by issuers on aspects relating to climate change, water risk or exposure to the deforestation issue;
- "Science Based Target Campaign", aimed at encouraging companies to adopt science-based decarbonisation targets.

MEMBER OF THE INTERNATIONAL CORPORATE GOVERNANCE NETWORK (SINCE 2016)



Leading association on global corporate governance and investor stewardship standards.



CO-FOUNDER AND CO-CHAIR OF THE ASSET MANAGEMENT WORKING GROUP (2004 AND 2009)

UNEP FI is a partnership between UNEP and the global financial sector to mobilise private sector funding towards sustainable development.



MEMBER OF NATURE ACTION 100 (SINCE 2023)

Collective engagement initiative to encourage institutional investors to adopt best practices to combat biodiversity loss and deforestation.



MEMBER OF CLIMATE ACTION 100+ (SINCE 2023)

Collective engagement initiative that promotes the reduction of greenhouse gas emissions in line with the Paris Agreement.



MEMBER OF ADVANCE (SINCE 2023)

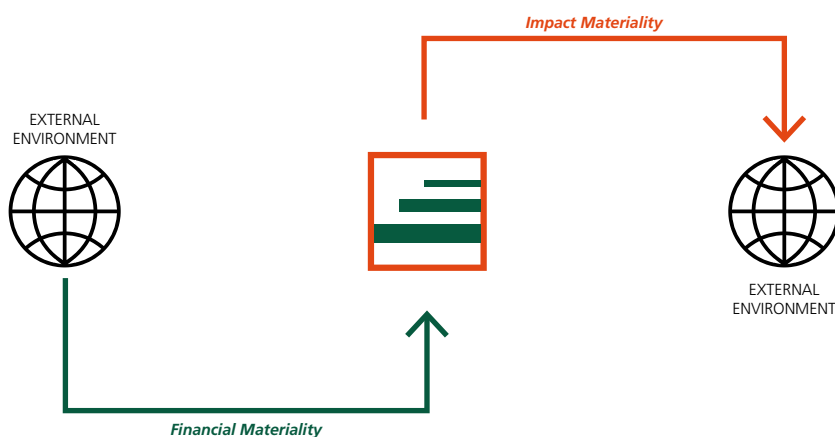
Collective engagement initiative promoted by UN PRI to emphasise the importance of respecting human rights, particularly in societies most exposed to such risks.

Materiality/relevance analysis

The materiality/relevance analysis is used to identify priority and relevant (i.e. material) issues for the Company and its Stakeholders and is conducive to the identification and management of risks and opportunities, also helping to guide corporate strategy.

In line with the methodology adopted for the 2022 Sustainability Report and on the basis of the most recent developments in terms of reporting, Eurizon has conducted specific analyses to identify and assess the possible impacts linked to material environmental, social and corporate governance issues according to a dual perspective (so-called 'dual materiality/relevance'). This approach considers both the impact generated by the external environment on the Company (so-called "outside-in" or "financial materiality" perspective), as well as the impact generated by the Company towards the external environment (so-called "inside-out" or "impact materiality" perspective) with the aim of obtaining a complete overview of the issues that can have a positive or negative influence on Eurizon's financial performance and the issues that can generate significant (actual or potential) impacts on the environment and society through the Company's activities.

The issues arising from the 2022 materiality analysis, and their underlying impacts, were the starting point for the analysis conducted for 2023, which were again subject to a materiality analysis, in order to assess possible additions and/or changes, with the aim of prioritising them with respect to their associated impacts, the activities carried out by the Asset Management Division and in light of the dual materiality/relevance perspective.



STAKEHOLDER IDENTIFICATION AND ENGAGEMENT

The Stakeholders represent the relational universe with which Eurizon has dealings and the context in which it operates. In continuity with the previous year, the main Stakeholders were selected on the basis of their relationship with Eurizon (customers, suppliers, distributors, external consultants, shareholders, top managers and employees) and involved through an online survey intended to collect their feedback anonymously and taking into consideration both the likelihood and the significance of the impacts associated with the topics under analysis.

Within the framework of the Company's ordinary business, engagement with the main categories of Stakeholders can take place through the following methods:

STAKEHOLDERS	MAIN ENGAGEMENT METHODS
People	<ul style="list-style-type: none"> • Internal communication tools (corporate intranet, newsletters etc.) • Internal initiatives (<i>onboarding, mentorship</i>) • Training courses • Internal surveys • Social channels (<i>LinkedIn, Youtube</i>)
Private and institutional customers	<ul style="list-style-type: none"> • Monthly video updates • Advertorials published in trade journals • Dedicated web portals • Support and training channels • Newsletters • Podcasts • Webinars and video interviews • Meetings and webcasts with managers • Institutional events • Market research • Social channels (<i>LinkedIn, Youtube</i>)
Partners	<ul style="list-style-type: none"> • Market research • Newsletters • Periodic communications and topic columns for financial advisers • Weekly and monthly newsletters • Dedicated web portal • Podcasts • Surveys • Social channels (<i>LinkedIn, Youtube</i>)
Environment	<ul style="list-style-type: none"> • Donations to environmental organisations • Communications with local organisations
Community	<ul style="list-style-type: none"> • Donations to charities and community projects • Communications with local organisations • Focus groups promoted by the Trade Association • Conferences and events promoted by the Trade Association • Social channels (<i>LinkedIn, Youtube</i>)
Shareholders	<ul style="list-style-type: none"> • Interactions and communications • Surveys



Eurizon Capital SGR, Milan - headquarters details

MATERIAL ISSUES AND ASSOCIATED IMPACTS

Compared to the analysis conducted last year, the following additional issues were identified, namely **"Robust, transparent and strongly involved governance on sustainability issues"**, **"Decarbonisation of portfolios under management"** and **"Participation in international initiatives as evidence and in support of the Company's commitment to ESG issues"**.

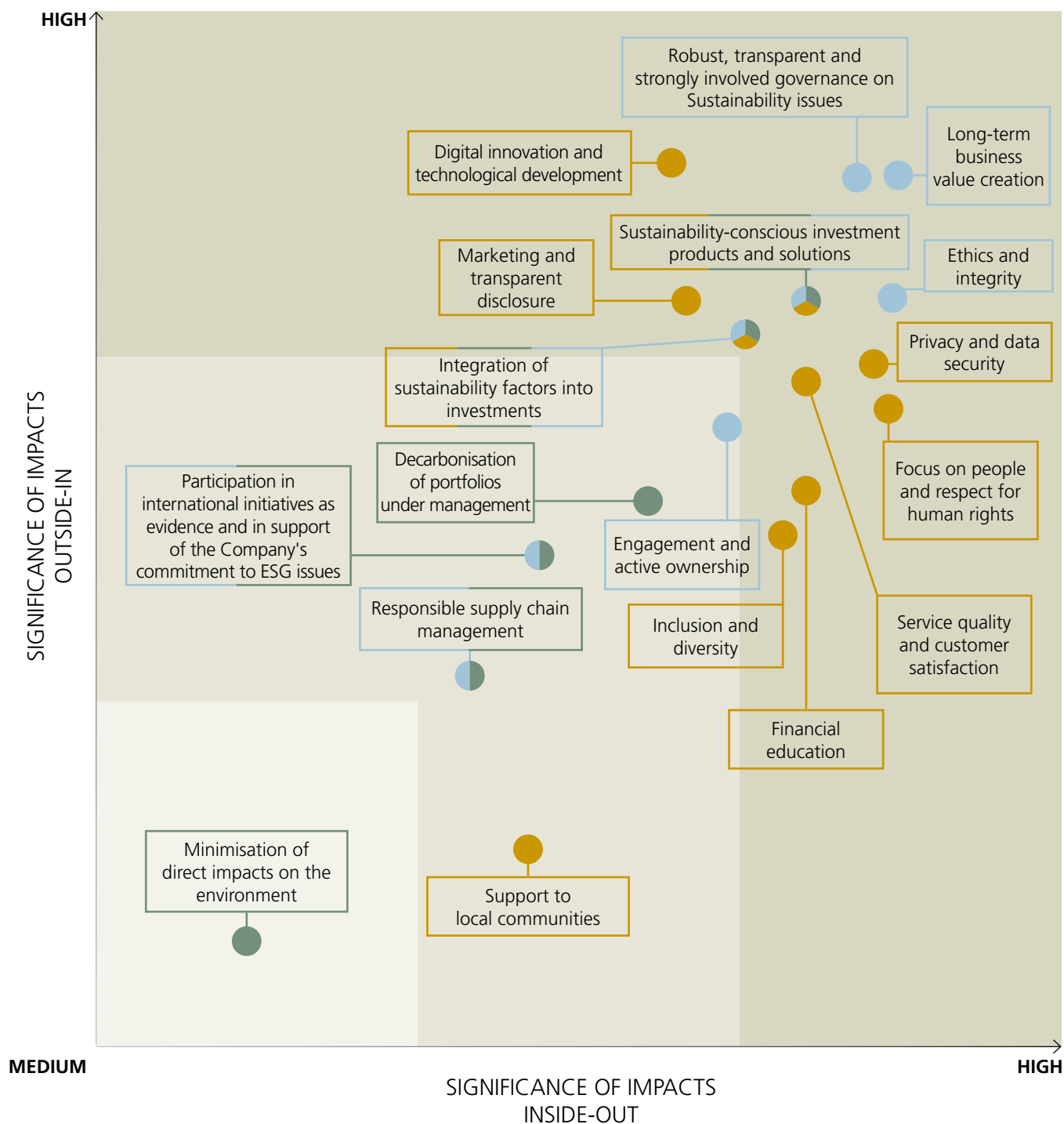
Minimisation of direct impacts on the environment	By way of example, generation of greenhouse gas emissions arising from the energy consumption of headquarters and offices and/or depletion of water resources resulting from the running of the company's business.
Service quality and customer satisfaction	Generation of customer satisfaction through increased quality of the service offered.
Digital innovation and technological development	Development of digital solutions and processes designed to better meet the Company's and customer needs.
Privacy and data security	Safeguards put in place to ensure privacy protection and avoid the loss of sensitive stakeholder data such as customers, investors, employees, suppliers (data breach).
Focus on people and respect for human rights	Respect for human rights, attention to and supervision of employees' health and safety, contribution to people's wellbeing through the promotion of behaviour in line with values and principles of fairness and non-discrimination, thereby minimising potential reputational and financial repercussions on the Company.
Inclusion and diversity	Promotion of an inclusive corporate culture geared towards valuing diversity that guarantees respect for gender minorities, ethnicity, religion, sexual orientation and skills through, for example, equal pay opportunities.
Financial education	Contribution to financial education aimed at promoting and disseminating a financial culture also through community support initiatives and partnerships, for example through webinars, conferences, seminars, institutional events and training courses on savings and investments.
Support to local communities	Contribution to the welfare and development of local communities through, for example, support for charitable initiatives aimed at supporting people and the local area.
Marketing and transparent disclosure	Strengthening the sense of trust among its Stakeholders through timely, transparent and reliable disclosures and in compliance with regulations.
Ethics and integrity	Development and dissemination of a common sense of ethics and integrity through good governance practices and the creation of an appropriate corporate culture, in order to prevent money laundering, corruption and anti-competitive behaviour that may lead to possible reputational damage, sanctions or criminal repercussions.
Engagement and active ownership	Engagement and active ownership actions that contribute to the improvement of the sustainability profile of stewardship companies in the portfolio, also considering any potential related impacts.
Integration of sustainability factors into investments	Improvement of the risk-return profile of portfolios by integrating sustainability factors into the investment analysis, selection and management processes of all the products managed and marketed by the Company.
Sustainability-conscious investment products and solutions	Conception, development and marketing of sustainability-conscious investment products and solutions, e.g. thematic solutions that focus investment activity towards one or more long-term issues, such as (for example) ageing population, the circular economy or climate change mitigation.
Responsible supply chain management	Generating positive environmental (e.g. reduction of greenhouse gas emissions) and social (e.g. inclusion and respect for diversity) impacts and offering quality services through responsible supply chain management (e.g. suppliers with standards of conduct in line with the Company's Code of Ethics).
Long-term business value creation	Creation and distribution of economic value to shareholders, employees, suppliers and the community over the long term and achievement of capital stability through Eurizon's economic and financial performance.

Robust, transparent and strongly involved governance on Sustainability issues	A solid system of processes and precise rules to govern the company's business, capable of ensuring a high level of involvement of the entire company in terms of sustainability, also in order to minimise potential negative impacts on the Company's performance and assets deriving from any inefficient management of risks connected to environmental, social and governance issues.
Decarbonisation of portfolios under management	The Company's commitment to directing investments towards issuers whose objective is a progressive reduction of their environmental impact, and consequently of the portfolios they invest in.
Participation in international initiatives as evidence and in support of the Company's commitment to ESG issues	Allocation of resources for the implementation of activities aimed at aligning the Company's policies with the international protocols it adheres to, such as the Net Zero Asset Managers Initiative, Climate Action 100+ and the Principles for Responsible Investment (PRI).

2023 MATERIALITY/RELEVANCE MATRIX

Through the contribution of the Stakeholders interviewed, it was possible to define the 2023 Materiality/Relevance Matrix represented below, considering the assessments received for each proposed issue, according to the two analysis perspectives (impact relevance and financial relevance).

The 2023 matrix shows how all potentially relevant impacts, taking into account the scope of the Company's operations, have been assessed as such in terms of both probability and significance. The feedback gathered from Stakeholders shows substantial alignment in the definition of priorities: in particular, the impacts associated with business conduct, the adoption of a transparent governance committed to sustainability issues as well as those associated with the Company's investment activity were considered particularly significant from both an outside-in and inside-out perspective. Some of the most relevant impacts include: "Long-term business value creation", which reflects the care and dedication to our work and the continuous pursuit of **Excellence**, "Sustainability-conscious investment products and services" and "Robust, transparent and strongly involved governance on sustainability issues", in line with Eurizon's ongoing commitment to investment **Sustainability** and the ever-increasing focus on ESG issues in the conduct of business.

MATERIALITY MATRIX²⁸

28. For the purposes of the dual materiality/relevance analysis, two separate surveys addressed to the different Stakeholders were conducted on the perception of the impacts generated by the Company externally, i.e. the impact of sustainability issues on the Company's financial performance and economic results. By virtue of the Company's contextual and business assessments, the issue "Participation in international initiatives as evidence and in support of the Company's commitment to ESG issues" was only subject to the assessment of potential financial relevance, therefore, in order to offer a graphical representation in the Company's dual materiality/relevance matrix, this issue was assigned an inside-out relevance level equal to that obtained from the outside-in perspective.

Commitment to transparency

In the fulfilment of its fiduciary commitment to its Stakeholders, Eurizon recognises that “responsibility” also means adopting transparent communication through which to establish and build an open, constant and constructive dialogue that enables the Stakeholders to make independent and conscious choices and to create lasting relationships based on mutual trust.

In line with its values, Eurizon is committed to communicating effectively, clearly and comprehensively its approach and the results achieved in terms of sustainability.

To this end, Eurizon provides its Stakeholders with the information required by the applicable regulatory framework, such as the documentation relating to the products and services offered (e.g. KID, Prospectus and Regulation) and the related periodic reports.

TRANSPARENCY ON THE INTEGRATION OF ESG CRITERIA INTO INVESTMENT DECISIONS

In compliance with Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation - SFDR), as of 2021, Eurizon publishes on its website information on its policies for integrating sustainability risks into the investment decisions taken both at the Company level and at the level of the individual products offered, where applicable.

Information is also available on Eurizon’s website on how major adverse effects are taken into account in investment decisions and how sustainability risks are integrated into remuneration policies.

In addition, in compliance with the SFDR Regulation, the Company has prepared the annexes to the Offering Documents and Management Reports, prepared in line with the technical standards for eligible products under Articles 8 and 9 of the aforesaid Regulation.

Through its communication and marketing activities, Eurizon is committed to integrating disclosure and enriching its communication tools through multimedia and voluntary reporting forms that allow its Stakeholders to expand the information available. To this end, Eurizon is committed to monitoring its customers’ needs on an ongoing basis through appropriate tools and to detecting their expectations through specific market research.

Lastly, with the aim of simplifying navigation and access to content for the public and responding to specific needs through a greater relevance of content of interest, during 2023 the website section dedicated to sustainability was completely revamped, improving the overall browsing experience also through thematic videos and dedicated sections. In particular, with a view to the continuous improvement of our digital communication on Eurizon’s sustainable choices, the Company has created a series of Corporate Branded videos dedicated to exploring the different aspects of the sustainability universe, through the thoughts of some Company managers.



During 2023, a new section of the website was published dedicated to highlighting the **circular economy** issue, to which the company has also dedicated an investment fund (Eurizon Fund - Equity Circular Economy).

Moreover, audio and video content was added via external platforms, as well as shares via the *LinkedIn* institutional page, also to communicate the issues linked to the ESG universe, through financial education content, newsletters and documents with information purposes prepared for the commercial area and for end customers.

NATIONAL PUBLIC INITIATIVES

During 2023, Eurizon actively participated in national and international initiatives, including:

- Salone del Risparmio (May 2023);
- ESG Business Conference (June 2023);
- Salone SRI (November 2023);
- the conference entitled "Data ESG débat", held in Paris and organised by Agefi (a Swiss newspaper specialising in economics, finance and politics), during which some of the largest investors discussed the strategies and tools available to overcome the shortage of non-financial data and the expected impacts of the entry into force of the Corporate Sustainability Reporting Directive (CSRD).

In addition, SGR hosted the Italian leg of the European roadshow "From Climate Ambition to Action" organised by the Institutional Investors Group on Climate Change (September 2023), which explored climate change issues, the Net Zero objectives and the related implementation strategies; in this context, Eurizon Capital SGR contributed by representing its experience as a signatory of the Net Zero Asset Managers Initiative.

EURIZON TRENDS NEWSLETTER

In 2023, Eurizon introduced on the *LinkedIn* platform the "Eurizon Trends" newsletter, dedicated to in-depth analyses and trends of the investment world and financial markets.

On a monthly basis, the newsletter deals with a topic of particular relevance to the Company, through the publication of a dedicated article. The first article was dedicated to the Circular Economy.

OUR REPORTS

GLOBAL ESG REPORT

The Global ESG Report is a document published annually, focused on specific sustainability-conscious products and aimed at analysing performance both in terms of alignment with the SDGs and ad hoc metrics.



[VIEW THE PDF](#) >

GREEN BONDS IMPACT REPORT

The Green Bonds Impact Report illustrates the impacts generated by investments in "green" bonds of Eurizon's funds Absolute Green Bonds and Green Euro Credit as well as their alignment with the Sustainable Development Goals (SDGs) promoted by the United Nations.



[VIEW THE PDF](#) >

STEWARDSHIP REPORT

The Stewardship Report reports on active ownership activities (voting and engagement activities with issuers) and is published on a half-yearly basis.



[VIEW THE PDF](#) >

EURIZON'S PODCASTS

With the aim of increasing and spreading awareness among the Company's Stakeholders in relation to the asset management universe, Eurizon has made some podcasts available on its website, in which, through the analyses of industry experts, users can find their way around and delve deeper into issues relating to investments and current affairs. In particular:

- **"The Globe"**, monthly podcast to find out about the company's current positioning and asset classes
- **"Eurizon weekly"**, weekly podcast with episodes dedicated to market movers (i.e. facts/data capable of driving the markets)
- **"Eurizon Talk"**, podcast aimed at discovering the main topics on the asset management universe



The product range and sustainability-conscious solutions

Eurizon provides investors with a wide and diversified range of products under Italian and Luxembourg law, aimed at both retail and institutional customers.

Sustainability represents for Eurizon a **value** that is synonymous with **future, innovation** and **research**.

The offering of investment products and solutions, in addition to eligible products under Article 6 of the SFDR integrating sustainability risks into investment decisions through the application of negative screening criteria includes instruments which, in compliance with good governance practices, promote environmental and/or social characteristics (eligible products under Article 8 SFDR) or have sustainable investment objectives (eligible products under Article 9 SFDR), in line with customers' growing sustainability preferences.

More specifically, in line with the regulatory framework established by the SFDR Regulation, Eurizon's offering includes:

ARTICLE 6

Products that integrate sustainability risks into investment decisions to which Eurizon applies negative screening criteria, i.e. SRI and ESG exclusion and restriction and active ownership strategies.

ARTICLE 8

Products that, in addition to applying SRI and ESG exclusion and restriction strategies, promote environmental and/or social characteristics in compliance with good governance principles through specific positive screening criteria, so-called ESG Integration strategies.

ARTICLE 9

Products that, in addition to applying SRI and ESG exclusion and restriction strategies, have a sustainable objective pursued through the selection of Sustainable Investments. These products implement investment selection methodologies aimed at (i) contributing to the Sustainable Development Goals (SDGs), or (ii) generating a measurable and positive social or environmental impact.



New products
launched in 2023
under Article 8 SFDR

At the end of 2023, the range included 306 eligible products under Article 8 or 9 of the SFDR amounting to approximately 149 billion euro, or 73.3% of assets under management in funds. In line with its commitment and the Intesa Sanpaolo Group's strategic objectives, 60 new products eligible to be classified under Article 8 pursuant to the SFDR Regulation were launched during 2023.

In addition to the negative screening criteria that characterise products under Article 6, Eurizon products that are eligible to be classified under **Article 8** of the SFDR Regulation require an explicit integration of ESG factors into the analysis, selection and composition of the managed assets - the so-called ESG Integration - by building, in compliance with good governance practices, portfolios characterised by at least one of the following integration strategies:

ESG SCORE INTEGRATION	THEMATIC INTEGRATION	SUSTAINABLE INTEGRATION	MANAGER SELECTION INTEGRATION	INDEX/ DERIVATIVE INTEGRATION	SOVEREIGN INTEGRATION
ESG score of the portfolio above that of the benchmark or investment universe	Selection of investments based on positive and negative criteria set out in the offering documentation	Investment selection based on sustainable investment criteria under the SFDR Regulation	Investment selection based on screening of target UCIs that promote social environmental characteristics or sustainable investment goals	Investment selection that takes into account the ESG construction logics of the respective benchmarks, including through the use of derivative financial instruments	Selection of government issuers based on adverse impact indicators and their alignment with the SDGs

Finally, in its range of offerings, Eurizon provides investment solutions classified under **Art. 9** of the SFDR Regulation, i.e. characterised by sustainable investment goals (so-called Sustainable Investments).

At the end of 2023, these products accounted for over 3 billion euro in assets under management.

More specifically, in accordance with good governance practices, these instruments apply the following investment selection methodologies:

SDG INVESTING	IMPACT INVESTING
Selection of investments based on sustainable investment criteria to contribute to Sustainable Development Objectives	Selection of investments capable of generating a social or environmental impact together with a measurable financial return

GOOD GOVERNANCE PRACTICES

According to the provisions of the SFDR Regulation (Article 2 paragraph 17), the pursuit of good governance practices of issuing companies is a **prerequisite** for investment by UCIs that promote environmental and/or social characteristics (pursuant to **Article 8**) or products that have sustainable investment objectives (pursuant to **Article 9**).

In this regard, the Regulation on Sustainability Reporting in the financial services sector involves four different screening areas that issuers invested in by such products are required to comply with, namely: **sound management structures, personnel relations, personnel remuneration** and **compliance with tax obligations**.

Therefore, in accordance with the above regulatory provisions and Eurizon's Sustainability Policy, products classified under Articles 8 and 9 of the SFDR invest in companies that adopt good governance practices (so-called "Good Governance") i.e. in those companies that:

- (i) have sound management structures, i.e. that include independent members on their Board of Directors, that have not received adverse opinions from the external auditor, and that have no disputes in relation to Principle No. 10 of the *Global Compact* of the United Nations (so-called "*UNGC*") concerning the commitment against corruption in all its forms;
- (ii) have no disputes in relation to UNGC Principle No. 3 concerning freedom of association and the recognition of the right to collective bargaining;
- (iii) have no disputes in relation to UNGC Principle No. 6 on the elimination of discrimination in respect of employment and occupation;
- (iv) have no tax compliance disputes, i.e. tax proceedings against the company that have not yet been resolved.

ETHICAL FUNDS

Launched for the first time in **1996**, ethical funds aim to increase the value of the contributed capital over time by implementing an investment policy inspired by ethical principles. Eurizon's ethical fund range currently consists of four funds under Italian law, classified under Article 8 pursuant to Regulation (EU) 2019/2088: **Eurizon Azionario Internazionale Etico, Eurizon Obbligazionario Etico, Eurizon Diversificato Etico and Eurizon AM Bilanciato Etico.**

The investment universe of the ethical products consists of the issuers included in the "ethical" benchmarks and compatible with the positive and negative selection criteria set out in the offer documents. Ethical investing involves the application of **negative screening** strategies against issuers involved in the production or marketing of products from the nuclear, armaments, tobacco or alcohol sectors, or in the production or marketing of products that are detrimental to human dignity and health, or against countries characterised by oppressive regimes or involved in military actions conducted outside the aegis of supranational organisations. In addition to negative criteria, the investment in ethical funds also applies **positive criteria**, defined according to the type of issuer and with respect to specific areas of commitment. A further feature of these products is that they involve the **annual devolution** of a portion of the management fees or product assets to social or environmental charities.

THE PRODUCT GOVERNANCE AND COMPLIANCE CLEARING PROCESS ON NEW PRODUCTS AND SERVICES

Eurizon's new products and services and their subsequent variations are subject to the Product Governance process that involves the relevant structures of the Company in order to assess the characteristics of the product and clearly identify the target audience for which it is intended with a view to protecting customers. The Product Governance process makes it possible to clearly manage the individual phases involving the conception, development, preliminary validation (so-called "clearing"), approval and monitoring of the products or services analysed.

This process is constantly monitored by the Compliance & AML Function to ensure substantive and formal compliance with internal and external regulations and the underlying assessments. The products and services are also subject to periodic post-sales monitoring in order to assess their compliance over time with the market parameters and the characteristics of the reference customers (target market).

Compliance assessments are conducted in accordance with the principles of fairness and protection of customers' interests and also concern the quality of the information provided, the consistency of the services, products or transactions with the needs and characteristics of the target customers.

The entire process is regulated by internal Guidelines and specific process guides adopted by the Company, in which the activities and structures involved are identified in detail. In addition, the Company has equipped itself with an IT tool in order to standardise information on products or services, file documentation in a single repository and track the decision-making process, thus ensuring a strengthening of the control measures.



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Sustainability in
investment activities



Integration of ESG criteria

Eurizon's fiduciary commitment to its Stakeholders also requires the Company to effectively address sustainability issues, particularly through specific investment analysis, selection and monitoring processes, with the aim of improving the risk-return profile of portfolios while at the same time promoting sustainable development over time.

In 2014, the Company signed the "**Italian Stewardship Principles**" defined by Assogestioni, which describe how to responsibly exercise administrative and voting rights with the aim of encouraging dialogue with the issuers in its portfolio, in order to develop good corporate governance practices, and consistently address issues with a social and environmental impact.

In 2015, Eurizon also signed the **Principles for Responsible Investment** promoted by the United Nations ("UN PRI"), i.e. the six voluntary principles to guide the responsible investment practices of institutional investors around the world, formally undertaking to integrate ESG criteria into its investment activities and active ownership policy.



As part of the initiatives promoted by the PRI, in 2023 the Company joined the "**Sustainable Systems Investment Manager Reference Group**" which offers members the opportunity to learn more about responsible investment aspects, the role of investment managers and the PRI's progress pathways.

As part of the commitment to the integration of non-financial considerations into investment activities, the commitment to climate change mitigation and adaptation becomes particularly important, in the context of which, in line with the Intesa Sanpaolo Group's objectives and also after joining CDP and the Net Zero Asset Manager Initiative (NZAMI), the Company dialogues with investee companies and supports shareholder proposals that call for greater transparency on the effects of the respective corporate policies on this issue.

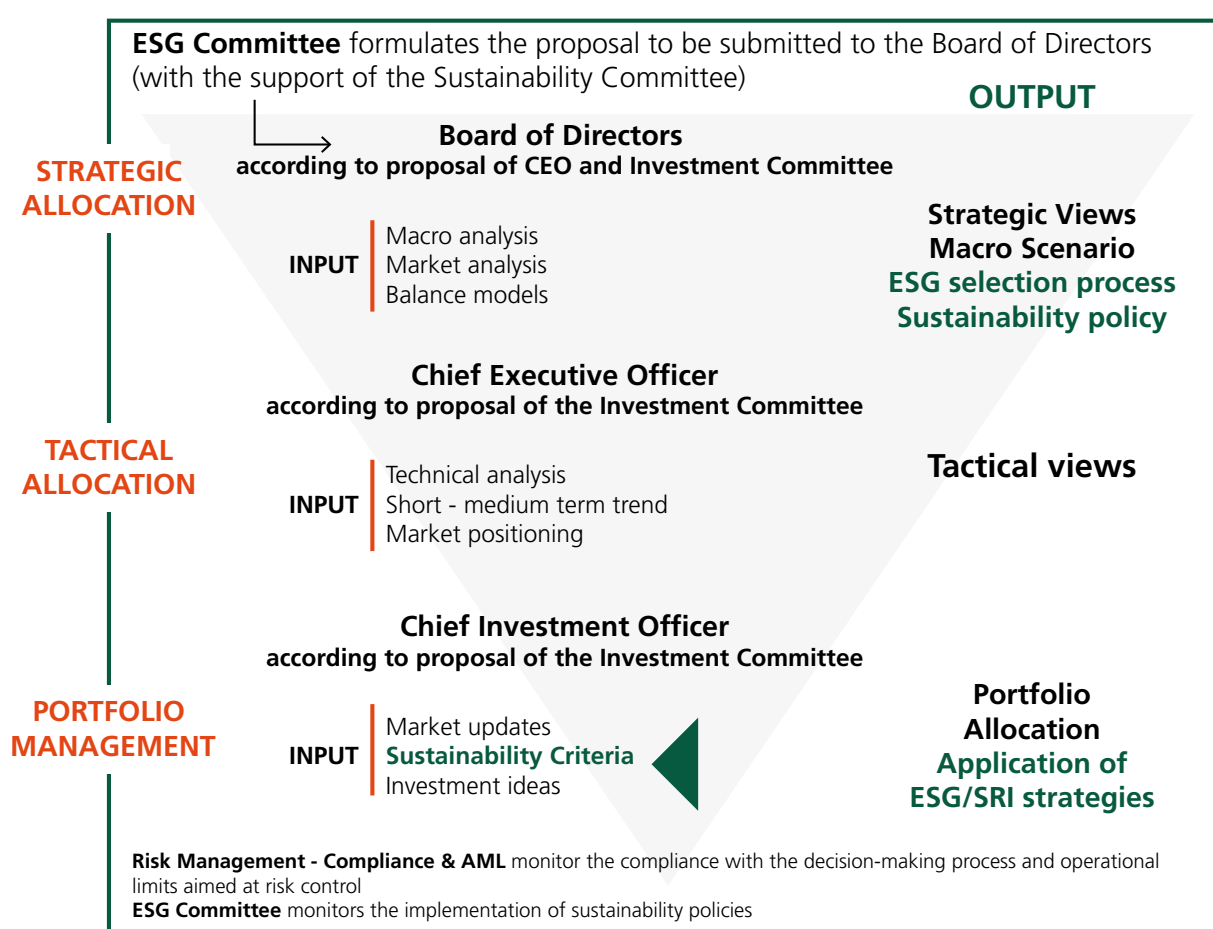
With the aim of responding to the challenges of the context in which it operates, to the expectations of its Stakeholders, and in compliance with current regulations, the Company:

- actively participates in **national and international working groups** with the aim of contributing to the definition of *best practices* on sustainability issues integrated in the investment process;
- describes on its **website** useful information on sustainability and a description of the initiatives adopted by the Company (www.eurizoncapital.com);
- provides employees with **in-depth content and training** on ESG factor integration in portfolios on its **corporate intranet**.

THE EURIZON INVESTMENT PROCESS

In line with PRI Principle No. 1 and the requirements laid down by Regulation (EU) 2019/2088 regarding sustainability disclosures in the financial services industry, the Company has adopted specific financial instrument selection methodologies that take into account environmental, social and good corporate governance criteria ("Environmental, Social and Governance - ESG") and sustainable and responsible investment principles ("Sustainable and Responsible Investments - SRI").







For each of the Strategies implemented, required by the Sustainability Policy, Eurizon has put in place a specific framework that includes dedicated corporate functions, specific **decision-making processes and operating limits** aimed at containing risks, including reputational risks, of the managed portfolios, and whose compliance is monitored by the Risk Management Function with the support of the Compliance & AML Function.



The Sustainability Policy

In 2021, Eurizon adopted its “**Sustainability Policy**”, which describes, among other things, the strategy for integration of sustainability risks into the investment process through specific methodologies for the selection, analysis and monitoring of the financial instruments adopted by the Company.

The document, updated at least annually, involves the following strategies:

NEGATIVE SCREENING		
	SRI EXCLUSION OR RESTRICTION CRITERIA	Exclusions or Restrictions with respect to the Investment Universe of the individual assets under management for issuers operating in sectors considered not “responsible”
	ESG EXCLUSION OR RESTRICTION CRITERIA	Exclusions or Restrictions with respect to the Investment Universe of the individual assets under management for issuers considered “critical”
POSITIVE SCREENING		
	INTEGRATION OF ESG CRITERIA	Integration of ESG criteria into the analysis, selection and composition of the assets under management (so-called “ESG Integration”) ²⁹
	SUSTAINABLE INVESTMENT GOALS	Investment selection methodologies aimed at pursuing sustainable investment goals in accordance with good governance practices
	GOOD GOVERNANCE PRACTICES	Methodology for selecting investments in companies with good governance practices, such as sound management structures, employee relations, personnel remuneration and compliance with tax obligations
STEWARDSHIP		
	STEWARDSHIP	Proactive interaction with issuer companies through the exercise of participation and voting rights and dialoguing with the companies’ management (so-called: “Active ownership – engagement”)

In order to monitor sustainability issues, the Company has set up a **three-stage process** that includes the screening of issuers, the definition of lists of issuers operating in non-socially responsible sectors and of critical issuers with high exposure to ESG risks, and the monitoring of investments over time.



29. For more details on ESG integration methods, reference is made to the description of the strategies adopted for products promoting environmental and/or social characteristics in paragraph The product range and sustainability-conscious solutions on page 48.

NEGATIVE SELECTION

Eurizon's portfolios are applied a **negative screening** in order to exclude or limit³⁰ investments in issuers operating in non-responsible sectors or issuers considered critical through **SRI exclusions or restrictions** and **ESG exclusions or restrictions**

SRI EXCLUSIONS OR RESTRICTIONS (SO-CALLED "SRI BINDING SCREENING")



Exclusions or restrictions are applied to issuers identified as belonging to non-"responsible" sectors, i.e. companies:

- characterised by a clear and direct involvement in the manufacture of unconventional weapons³¹;
- that derive at least 25% of their turnover from mining or electricity production activities linked to thermal coal;
- that derive at least 10% of their turnover from Oil & Gas extraction activities through the exploitation of oil sands.

In relation to issuers with exposure to the thermal coal and oil sands sector below the exclusion or restriction thresholds, **specific escalation processes**³² are activated, which may result in restrictions or exclusions with respect to the Investment Universe of the individual assets under management. If, at the end of the engagement process, no positive effects are identified, such as, for example, the definition of plans to phase out issuers from the thermal coal and tar sands sectors, the Company may consider extending the monitoring period or initiating the process of divestment from the managed assets.

ESG EXCLUSIONS OR RESTRICTIONS (SO-CALLED "ESG BINDING SCREENING")



Exclusions or restrictions are applied to issuers considered "critical", i.e. those companies with the lowest ESG sustainability rating assigned by the specialised information provider MSCI ESG Research. For such issuers, an escalation process³³ may be activated, with the aim of determining their restriction or exclusion with respect to the benchmark or Investment Universe of the individual assets under management. If, at the end of the engagement process, no positive effects or improvement in the issuer's ESG sustainability rating are found, the Company considers whether to extend the monitoring period or, as a last resort, to initiate the process to divest the managed assets.

The SRI and ESG exclusions apply to all actively managed products, while for Limited Tracking Error products and index products (with the exception of those explicitly incorporating ESG criteria), a maximum direct investment equal to the issuer's weight in the benchmark is permitted.

30. The negative criteria apply to all actively managed products, while for Limited Tracking Error products and index products (with the exception of those explicitly incorporating ESG criteria), a maximum direct investment equal to the issuer's weight in the benchmark is permitted.

31. Unconventional weapons include (i) Anti-personnel mines; (ii) Cluster bombs; (iii) Nuclear weapons; (iv) Depleted uranium; (v) Biological weapons; (vi) Chemical weapons; (vii) Non-detectable fragments weapons; (viii) Blinding lasers; (ix) Incendiary weapons; (x) White phosphorus.

32. These activities aim to ensure that no new thermal coal generation or oil sands extraction projects are developed, as well as the gradual "phase out" of issuers from such activities.

33. In line with the provisions of the "Engagement Policy of Eurizon Capital SGR S.p.A.", the Company has defined the following methods of intervention with regard to the identified issuers: (i) organisation of specific meetings with the members of the company bodies (including minority bodies), or the entities appointed by them, of the listed issuer invested; (ii) preparation of a formal communication to the company bodies and senior management of the companies; (iii) promotion of forms of collective engagement with other institutional investors; (iv) release of public statements at Shareholders' Meetings.

POSITIVE SELECTION

Eurizon products promoting environmental, social and governance characteristics involve the integration of ESG criteria into the analysis and selection of financial instruments in order to build, in compliance with good **governance** practices, portfolios characterised by the strategies described below.



INTEGRATION OF ESG CRITERIA (SO-CALLED “ESG INTEGRATION”)

The integration of ESG criteria in the analysis, selection and composition of managed assets aims to build, in accordance with good governance practices, portfolios with:

- an “ESG score” higher than that of the relevant investment universe (“**ESG Score integration**”);
- investment selection processes based on specific positive and negative criteria set out in the offering documentation, as in the case of Ethical and Thematic products (so-called “**Thematic Integration**”);
- investment selection processes based on sustainable investment criteria pursuant to the SFDR Regulation; this objective is achieved by investing at least 50% of assets in issuers whose activities contribute to one or more of the sustainable development goals, such as the Sustainable Development Goals (SDGs) promoted by the United Nations (so-called “**Sustainable Integration**”);
- investment selection processes based on the screening of target UCIs, applicable to “wrapper” products, such as funds of funds, retail portfolio management and unit-linked products (so-called “**Manager Selection Integration**”), provided that such products invest at least 70% of their assets in *target* UCIs that promote environmental or social characteristics or sustainable investment goals;
- investment selection processes that (a) take into account the construction logics of the respective benchmarks, identified on the basis of environmental, social and corporate governance criteria, provided that these products invest at least 90% of assets in issuers included in the benchmark or (b) require the implementation of at least 90% of the strategy in derivative financial instruments that enable to obtain exposure, including through indices, to issuers selected on the basis of environmental and/or social criteria (so-called “**Index/Derivative Integration**”);
- selection processes for government issuers that use the indicators provided both by the so-called “Sustainable Development Report” and to monitor the main adverse impacts relating to government issuers; this objective is achieved by investing at least 70% of assets in such issuers (so-called “**Sovereign Integration**”).

In addition to the strategies outlined above, the products that promote environmental and/or social characteristics pursuant to Article 8 of Regulation (EU) 2019/2088 may measure the carbon dioxide (CO₂) emissions of issuers, in order to build portfolios characterised by a **carbon footprint** below that of their investment universe.

SUSTAINABLE INVESTMENT GOALS

Eurizon products that have **Sustainable Investment Objectives** (so-called **Sustainable Investments**) implement, in compliance with good governance practices, the investment selection methodologies described below.

Investment selection methodologies aimed at pursuing, in compliance with good governance practices, sustainable investment goals ("Sustainable Investments"), through methodologies to select investments aimed at:



- contributing to Sustainable Development Goals, through processes to select investments based on sustainable investment criteria pursuant to the SFDR Regulation ("**SDG Investing**");
- generating a positive social or environmental impact together with a measurable financial return ("**Impact Investing**").

STEWARDSHIP






Eurizon's portfolios adopt **Stewardship** as an additional lever for the responsible management of resources and capital with the aim of promoting high *Governance* standards and sustainable development-oriented practices by the companies in which the Company invests.



The **Stewardship** activity indeed pursues the objective of promoting proactive interaction with issuers and is realised both through the exercise of participation and voting rights and through discussions with the management of the investee companies (so-called "Active ownership - engagement").

Eurizon aims to promote transparency, achievement and maintenance of high standards of governance of the companies in which it invests, contributing to increasing confidence in the capital market.

The matrix linking the ESG/SRI strategies adopted by Eurizon and the classification of products under the SFDR

	ARTICLE 6	ARTICLE 8	ARTICLE 9
NEGATIVE SCREENING			
 SRI EXCLUSION OR RESTRICTION CRITERIA ("SRI BINDING SCREENING")	●	●	●
 ESG EXCLUSION OR RESTRICTION CRITERIA ("ESG BINDING SCREENING")	●	●	●
POSITIVE SCREENING			
 INTEGRATION OF ESG CRITERIA ("ESG INTEGRATION")		●*	
 SUSTAINABLE INVESTMENT GOALS ("SUSTAINABLE INVESTMENTS")			●*
STEWARDSHIP			
 ACTIVE OWNERSHIP ("ENGAGEMENT")	●	●	●

* Subject to compliance by the investee issuers with good governance practices.

ALTERNATIVE INVESTMENT SCREENING PROCESS

With specific reference to alternative investments, Eurizon Capital Real Asset SGR has also defined specific methodologies for selecting and monitoring the instruments in which it invests, aimed at integrating sustainability risks within the Investment Process of managed assets.

In particular, in order to promote environmental and/or social characteristics, this Company has defined a particular strategy that envisages the investment of at least 70% of the assets in instruments that have passed a specific internal screening process carried out with the support of a special due diligence questionnaire ("Private Markets Integration").

MAIN NEGATIVE EFFECTS ON THE SUSTAINABILITY OF INVESTMENT CHOICES

The assessment of the principal adverse effects or adverse impacts (so-called "Principal Adverse Impact indicators" or "PAIs") of investment choices on sustainability factors and the definition of the possible related mitigation actions are an integral part of Eurizon's approach to sustainability.

Eurizon believes that most economic activities are able to influence numerous sustainability indicators, both positively and negatively. These effects can be significant and require periodic reassessment.

Pursuant to the provisions laid down in Article 4 of the SFDR, Eurizon Capital SGR prepares on an annual basis the **"Statement on the main adverse effects of investment decisions on the sustainability factors of Eurizon Capital SGR S.p.A. and its subsidiaries"**, approved by the Company's Board of Directors and published on the website, which (i) describes the strategies adopted to identify the main negative effects of investment decisions on sustainability factors and (ii) defines the related mitigation actions, identifying the priorities to be addressed.

Indeed, the Company believes that, although the negative effects of investment decisions on sustainability factors should be considered according to the range of activities, geographic areas and sectors to which the managed products are exposed, **adequate monitoring of exposure to social and environmental issues is a priority to mitigate the potential negative effects of its investments.**

In this sense, the Company makes use of specific indicators, defined by Delegated Regulation (EU) 2022/1288, associated with the individual financial products according to the characteristics promoted or the objectives pursued on the basis of the controls already defined by the Company, which include the use of mechanisms of (i) negative selection of SRI and ESG factors (ii) positive selection of ESG factors in the analysis, selection and composition of financial portfolios, (iii) exercise of voting rights and dialogue with investee issuers, and (iv) identification of sustainable investments in accordance with the SFDR.

For further details, please refer to the document available on the website www.eurizoncapital.com.

EURIZON ESG SCORE

In order to support its investment decisions, Eurizon has also defined a proprietary model for the assessment of issuers that integrates environmental, social and governance criteria, called the “Eurizon ESG Score”.

This model involves an articulated issuer evaluation system, defined by the Long Term Sustainable Strategies structure of the Investment Department, differentiated by (i) corporate issuers and (ii) government issuers, which relies on the analysis of specific KPIs assessing environmental, social and corporate governance components, expressed on a scale from 0 to 10.

The Score, where higher scores represent lower exposure to ESG risks and/or high exposure to sustainable growth opportunities, consists of:

- (i). for **corporate issuers**, an assessment of issuing companies according to:
- ESG Risk Score, which estimates the environmental, social and governance impact of the business of individual issuers and the ability of the related choices to materially affect the generation of profits;
 - ESG Opportunity Score, which estimates the ability of issuers to take advantage of **sustainable growth opportunities, in terms of their ability to generate future profits (e.g. technological innovations with environmental impacts)**;



(ii). for **government issuers**, an assessment of countries on the basis of:

- ESG Government Base Score, which assesses the environmental, social and governance impacts of individual countries, as measured at the date of processing;
- ESG Government Trend Score, which estimates the evolution of environmental, social and governance impact assessment of government issuers over a three-year horizon in order to analyse the trend of their policies with respect to ESG risk and opportunity management.



MATERIALITY AND CONSISTENCY



Eurizon Capital SGR, Milan - headquarters details

Commitment to climate and the environment

Eurizon is committed to promoting investment strategies and services, activities and behaviours that focus on environmental and social sustainability. Among these, the commitment to climate change mitigation and adaptation is of significant importance and requires companies, investors and civil society to take effective measures to counteract its effects globally.

COMMITMENT TO ACHIEVING CLIMATE NEUTRALITY (SO-CALLED "NET ZERO")

The issue of climate change mitigation and adaptation represents a clear objective as part of the action plan to finance the sustainable growth of the European Union.

The Paris Agreement and subsequent agreements to protect the environment highlighted the need to reduce greenhouse gas emissions in order to achieve **climate neutrality (Net Zero) by 2050**. The achievement of this goal requires **the commitment of civil society and all production sectors** including the financial sector, to support the transition process.

On 1 November 2021, Eurizon adhered to the so-called "Net Zero Asset Managers Initiative", the international initiative promoted by some of the biggest asset management companies committed to supporting the goal of achieving climate neutrality by 2050, in line with the commitments made by the States that signed the Paris Agreement.

The NZAMI is also committed to transparency and rigour in the achievement of the intermediate objective, i.e. the ambitious decarbonisation of a portion (so-called "in-Scope Portfolio") of the assets under management as early as by 2030.

NET ZERO ASSET MANAGER INITIATIVE'S COMMITMENTS

- Achieve climate neutrality (so-called "Net Zero") of 100% of assets under management by 2050;
- Reduce the carbon emissions of a portion of assets under management (referred to as the "in-Scope Portfolio") by at least 50% by 2030 (this interim objective, compared to 2019, is indeed recognised by the Intergovernmental Panel on Climate Change (IPCC), as a necessary condition to mitigate the rise in temperatures to a maximum of 1.5° C by 2050);
- Promote proactive engagement towards less advanced issuers (so-called "laggards") and sectors with greater impact (so-called "high impact");
- Communicate transparently on the commitments made within twelve months from the date of accession, undertaking to (i) implement annual reporting on target progress and (ii) review the interim objectives at least every five years.

The first step of the Asset Management Division towards achieving the 2050 Net Zero target was to identify, during 2022, the share of assets to be managed with a view to achieving climate neutrality by 2050: Eurizon defined an "in Scope Portfolio" of 67.5 billion euro, referred to Listed Equities and Corporate Fixed Income bonds, equivalent to 15.39% of its AUM as at 31 December 2021.

For the in Scope Portfolio the following four objectives were defined:

31.25%

of the Portfolio's
in-Scope AUM
with a rating of
at least "Aligning
towards a Net
Zero Pathway" as
at 31 December
2023

ASSET LEVEL ALIGNMENT TARGET

It consists of monitoring the progression towards Net Zero of the issuers comprising the in Scope Portfolio.

Eurizon estimates that by 2030 at least 50% of issuers belonging to material sectors for the transition will be considered at least "Aligning towards a Net Zero Pathway".

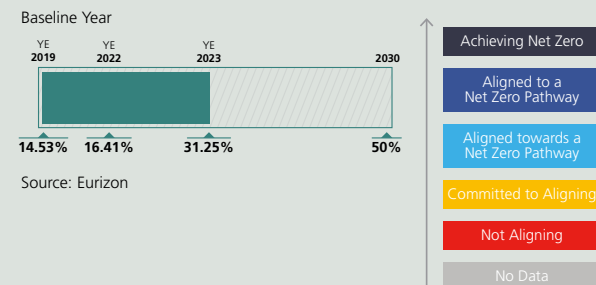
The Company also aims to achieve 100% of investments in material sectors for the transition by 2040 with assessment equal to "Aligned to a Net Zero Pathway" and "Achieving Net Zero".

In order to assess the degree of a company's alignment with the "Net Zero" scenario, Eurizon uses the "Net Zero Investment Framework" (NZIF), promoted by the IIGCC, which takes into consideration the following 6 criteria:

- **Ambition** - public statements of intent to achieve net zero direct and indirect emissions (so-called "Scope 1" and "Scope 2") by 2050;
- **Target** - publication of short- and medium-term targets for the reduction of its own level of emissions ("Scope 1" and "Scope 2");
- **Emission Performance** - publication of direct and indirect emission reduction levels against the defined targets;
- **Transparency** - publication of its own level of emissions;
- **Adoption of a Decarbonisation Strategy**
- **Capital Allocation** - consistency of capital expenditure with the objective of achieving the "Net Zero" scenario.

The AUM % of the In-Scope Portfolio with rating at least equal to "Aligning towards a Net Zero Pathway" increased from 14.53% in the Baseline Year to **31.25% as at 31 December 2023**.

The performance at year-end 2023 compared to 2019 (so-called Baseline Year) is shown below.



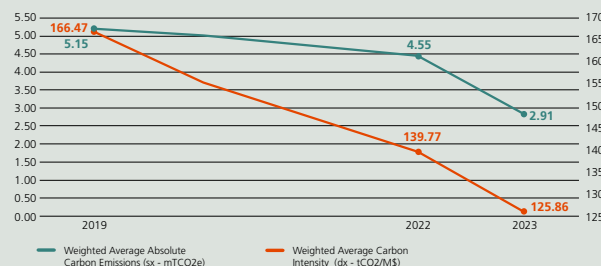
PORTFOLIO LEVEL REFERENCE TARGET

It represents the interim target by 2030 and requires the estimation and monitoring of the decarbonisation rate for the "in-Scope Portfolio".

Eurizon has the ambition to halve the intensity of direct and indirect (so-called Scope 1 and Scope 2³⁴) financed greenhouse gas emissions by 2030 compared to 2019 (Baseline Year).

It is highlighted that, in December 2023, the Weighted Average Carbon Intensity (WACI) of the in-Scope Portfolio is equal to 125.86 tCO₂/m\$ compared to 166.47 tCO₂/m\$ in 2019, **down by 24.39%**.

The graph below shows the performance of the WACI compared to the Baseline Year and the trend of the absolute average emissions of the In-Scope Portfolio, which decreased from 5.15 mtCO₂e to 2.91 mtCO₂e.



-24.39%

weighted average carbon emission intensity of the in-Scope Portfolio (so-called WACI) compared to the Baseline Year (2019)

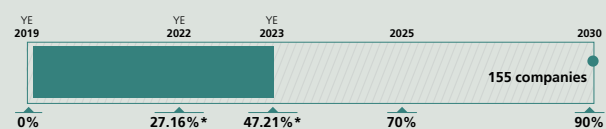
STEWARDSHIP TARGET

It involves a commitment to establishing robust interaction plans with investee companies to encourage them to implement effective decarbonisation processes.

The Company prioritises the performance of engagement activities with companies considered to be lagging behind (so-called "laggards") in the decarbonisation process, relying on (i) public disclosure on the decarbonisation strategies of investee companies and the research and development projects undertaken by the latter, and (ii) studies and assessments carried out by third parties, such as the "Transition Pathway Initiative" (TPI), "Climate Action 100+" (CA100+), "Science Based Target Initiative" (SBTi) and "Net Zero Tracker".

More specifically, Eurizon aims to contact 155 companies (representing 90% of the emissions financed by the in-Scope Portfolio) by 2030 (70% of the emissions financed by 2025) focusing on issuers belonging to sectors deemed "material" for decarbonisation purposes.

Under Target 3, since joining NZAMI as at **31 December 2023**, Eurizon has contacted a total of 46 issuers accounting for **47.21% of the emissions financed** by the In-Scope Portfolio, through bilateral and collective engagement actions.



* The data refer to the sum of the engagement results corresponding to the 2025 and 2030 Stewardship Target engagement objectives.

46

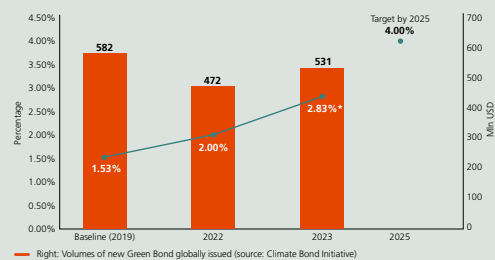
issuers contacted, accounting for 47.21% of the emissions financed by the in-Scope Portfolio as at 31 December 2023

CLIMATE SOLUTION TARGET

It involves the increase of environmentally sustainable investments.

Eurizon aims to increase the total AuM invested in Green Bonds, i.e. in debt securities issued for the purpose of financing environmental projects with a positive impact, from 1.53% (Baseline Year) to 4% by 2025.

As at **31 December 2023**, investments in Green Bonds accounted for **2.83% of the total AUM**, although new issue volumes were below expectations globally.



*As of Dec 2023, the figure shown includes the amounts invested in both Green Bonds and Sustainability Bonds.

2.83%

of the total AUMs invested in Climate Solutions as at 31 December 2023

Data source: Eurizon internal re-processing.

For more information, see the Net Zero Progress Report 2023 published on the [Company's website](#).

34. Emissions generated by the value chain, so-called Scope 3, will be included when the availability of such data improves.

FURTHER INITIATIVES

For the purpose of a more effective implementation of the obligations deriving from the subscription of the “Net Zero Asset Managers Initiative”, as of November 2021 the Company also joined the Institutional Investors Group on Climate Change (IIGCC), the European association of investors that promotes collaboration on climate change and the reduction of net greenhouse gas emissions. In this regard, the SGR makes use of the methodological framework developed by IIGCC, called “Net Zero Investment Framework 1.5 °C”, as well as direct comparison with other participating companies.

In addition, Eurizon takes part in international working groups, such as:

- **Bondholder Stewardship Working Group**, organised by IIGCC, which aims to promote the influence of bondholders to support climate action and to drive the transition towards achieving the Net Zero objective;
- **Proxy Advisor Working Group**, organised by IIGCC, which aims to prompt *proxy advisors* to consider more granular information in their voting policies for a correct assessment of the path to *Net Zero* of listed companies;
- **Sovereign Bond and Country pathways Working Group**, sponsored by the IIGCC and aimed at defining guidelines for assessing the pathways and progress of countries in achieving Net Zero by 2050;
- **Index Investing Working Group**, promoted by the IIGCC to develop supplementary guidance to the *Net Zero Investment Framework* for Passive Investing and globally develop passive capital towards the Net Zero transition;
- **Circular Economy Reference Group**, organised by PRI and aimed at appreciating the risks and opportunities associated with the circular economy;
- **Listed Equity Working Group**, organised by PRI, through which Eurizon published a *case study* on the decarbonisation of the cement sector in 2023;
- **Sustainable Systems Investment Managers Reference Group**, organised by PRI and aimed at providing a best practice forum to players in the asset management industry.

Since 2004, Eurizon has been a signatory of CDP, an independent non-profit organisation that provides companies, local authorities, governments and investors with a global system for measuring and reporting climate change information.

Finally, in 2023, the company joined two new international collective engagement initiatives, namely **Climate Action 100+**, which promotes the reduction in greenhouse gas emissions, and **Nature Action 100**, which encourages the adoption of best practices to combat biodiversity loss and deforestation, as well as the **Advance** initiative promoted by UN PRI to emphasise the importance of respecting human rights.

INVESTMENT SOLUTIONS

Eurizon has integrated investment solutions that aim to reduce the carbon footprint of investments into its range of offerings, and starting from 2022, products on the Circular Economy and with a Net Zero objective.

In particular, the Company manages a number of products that are eligible to be classified under Article 8 of the SFDR, **which integrate assessments related to the measurement of CO₂ into the portfolio construction**. These products aim to achieve a carbon footprint intensity (i.e. direct Scope 1 greenhouse gas emissions and indirect Scope 2 greenhouse gas emissions in relation to issuers' revenues) below the benchmark (in the case of so-called benchmark products) or compared to the investment universe (in the case of so-called flexible products).

Products eligible to be classified pursuant to Article 9 of the SFDR Regulation have instead explicit “Sustainable Investment” objectives and pursue this objective through investment selection methodologies aimed at (i) contributing to sustainable development goals through investment selection processes based on sustainable investment criteria pursuant to the SFDR Regulation (so-called “SDG Investing”); (ii) generating a social or environmental impact together with a measurable financial return (so-called “Impact Investing”).

For example, such products invest in **Green Bonds**, i.e. bonds issued for the purpose of financing projects with a positive impact on the environment. For these instruments, the Company follows a due diligence process that takes into account both the Green Bond Principles (GBPs) defined by the International Capital Market Association (ICMA) and the EU Green Bond Standard (EU GBS). In particular, the projects underlying the issuance of green bonds are analysed in order to classify individual bonds on a scale of greenness (from brown to dark green). The assessment factors focus on the project management methods and on the analysis of the purpose of the financed project, the issuer’s organisational structure and the environmental footprint, with a special focus on transparency and quality of reporting.

Active ownership

In the belief that issuers implementing high corporate governance standards are those that can generate better long-term performance, the Company promotes the sustainable growth of the issuers in which it invests by fostering effective communication with management, with the aim of supporting them in improving their business and sustainability practices.

Eurizon’s Stewardship activity, which is realised through dialogue and the exercise of participation and voting rights (so-called “active ownership - engagement”), aims to promote transparency and the achievement and maintenance of high governance standards of the companies invested in, thus contributing to boosting confidence in the capital market.

In this context, the **“Strategy for the exercise of participation and voting rights inherent in the financial instruments pertaining to the assets managed”** defines the procedures for participating in shareholders’ meetings and exercising voting rights, while the **“Engagement Policy”** describes the behaviour that the Company adopts to encourage dialogue with the issuers in which it invests on account of the assets under management.

These documents implement the **“Italian Stewardship Principles”**, promoted by Assogestioni, which aim to provide a series of **best practices** to encourage responsible ownership by members, promoting an effective integration between the corporate governance of issuing companies and their investment process, in continuity with the “Stewardship Code” promoted by the European Fund and Asset Management Association (EFAMA) in order to encourage the development of good corporate governance practices at European level.

In 2023, Eurizon updated its Engagement Policy, describing the macro-issues on which it intends to focus its annual engagement activity and based the guidelines for the definition of voting instructions.

THE ISSUES AT THE HEART OF EURIZON'S STEWARDSHIP

ENVIRONMENTAL ISSUES	CLIMATE CHANGE MITIGATION AND ADAPTATION	As a signatory to the NZAMI, and with the aim of assessing the credibility of issuers' transition plans, Eurizon undertakes to monitor and analyse a company's degree of alignment with the "Net Zero" scenario using the "Net Zero Investment Framework" (NZIF) methodology promoted by IIGCC. The Company also undertakes to vote on the "Say on Climate" proposals presented by management at shareholders' meetings to submit the company's energy transition strategy for shareholders' approval
	MITIGATING BIODIVERSITY LOSS AND COMBATING DEFORESTATION	In order to assess the impacts on biodiversity and deforestation practices, the Company undertakes to raise awareness and encourage issuers to adopt measures to counter biodiversity loss and deforestation by promoting (i) transparency in the sourcing and use of raw materials, (ii) the adoption of circular economy and material reuse practices, and (iii) ongoing commitment to more sustainable standards, including along the supply chain.
SOCIAL ISSUES	RESPECT FOR HUMAN RIGHTS AND COMBATING THE PRODUCTION OF UNCONVENTIONAL WEAPONS	The Company's Sustainability Policy applies specific exclusions or restrictions for issuers with a clear direct involvement in the manufacture of unconventional weapons. Furthermore, in line with the Sustainable Development Goals promoted by the United Nations, the Company encourages issuers to develop policies aimed at effective management of their human capital through the implementation of due diligence processes that measure the impact on human rights and the adoption of robust and fair governance models that minimise the risks of human rights violations in the conduct of their business and within the supply chain
GOVERNANCE ISSUES	GOOD CORPORATE GOVERNANCE PRACTICES	Eurizon believes that sound corporate governance practices are fundamental to the efficient management of a company's resources . Moreover, Eurizon believes that the promotion and enhancement of diversity, in all its aspects and at all levels, can open up a proactive dialogue between executive members, fostering the company's growth and innovation





EXERCISE OF PARTICIPATION AND VOTING RIGHTS

The Company promotes dialogue with the companies in which it invests and participation in their shareholders' meetings, according to a differentiated approach based on the importance of the issuer, the reference markets or the specific circumstance, based on qualitative and quantitative criteria specified from time to time in internal regulations.

The Company has adopted specific organisational and procedural measures to ensure independence and autonomy in the exercise of the participation and voting rights relating to the equity investments it manages.

The Company participates, in relation to managed assets, in the shareholders' meetings of selected companies listed on the Italian Stock Exchange and on international markets, taking into account the usefulness of participating with respect

to the interests of managed assets and the possibility of influencing decisions in relation to the voting rights held. In particular, in accordance with a cost-benefit analysis that also takes into consideration the investment objectives and policies of the products, the Company has adopted differentiated preliminary assessment and operational processes for the exercise of voting rights, depending on whether the decision concerns shareholders' meeting resolutions (i) for which the Company makes use of electronic voting (so-called proxy voting) and (ii) considered more relevant, according to one or more of the following quantitative and qualitative criteria:

	Holding of significant equity interests, as identified from time to time in company procedures
	Presence of situations with respect to which, in the interest of the assets under management, it is intended to (i) stigmatise situations of particular interest in defence or in support of the interests of minority shareholders or (ii) support significant decisions relating to environmental, social or good corporate governance practices;
	Election of statutory auditors or directors of listed companies in Italy through the slate voting mechanism, representing minority shareholders;
	It resolves on extraordinary transactions deemed significant for the interest of the assets under management in order to back or oppose the proposed transaction.

Within the framework of the "**Strategy for the exercise of participation and voting rights inherent in the financial instruments pertaining to the assets managed**" the Company has also formalised the guidelines for the definition of the vote in the shareholders' meeting, in line with the principles set forth by the corporate governance codes and by domestic and international best practices.

In 2023, Eurizon followed up on its commitment to voting on proposals relating to governance, environmental and social aspects. Specifically, the most frequent proposals concerned:

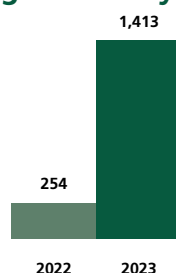
- **in the governance** field: issues related to Corporate bodies, with a specific *focus* on diversity on the Board of Directors, remuneration policies and issuers' capital structure;
- **with reference to social issues**: corporate policies adopted with regard to the protection of human and workers' rights including in the supply chain, donations, the issue of health and safety in the workplace and the fight against the manufacture of unconventional weapons;
- **with respect to environmental issues** the evaluation of the energy transition strategies that the company presents to shareholders (the so-called "Say on Climate"), company policies on reducing emissions, climate change mitigation and adaptation, biodiversity loss and combating deforestation.

In 2023, Eurizon Capital SGR significantly increased its participation in the corporate life of the issuers in which it invests by voting on 18,641 resolutions.³⁵

35. For details of the shareholders' meetings voted during the year, reference is made to the 2023 Stewardship Report and the document "Participation in Shareholders' Meetings in 2023", both available on the company's website.

Number of meetings voted by Eurizon Capital Sgr

1,413 Number of shareholders' meetings attended by the Company



18,641
Resolutions
on the agenda **voted on**

91%
Shareholders'
proposals **supported**

28%
Shareholders'
proposals **voted on** in
disagreement with the
*Proxy Advisor*³⁶

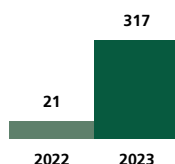
Eurizon Capital SGR 2023 shareholders' meeting activities

18,241 proposals voted on governance issues, contributing to the success* of 78% of them.	153 proposals voted on environmental issues, contributing to the success* of 35% of them.	247 proposals voted on social issues, contributing to the success* of 23% of them.
52.1% Corporate bodies 13.9% Remuneration 12.9% Operational/ordinary aspects 8.1% Capital structure 5.8% Auditing companies 3.6% Amendments to the Articles of Association 1.7% Related-Party Transactions (Non-Routine Activities) 1% Extraordinary transactions 0.6% Anti-takeover defence mechanisms and related 0.2% Good corporate governance aspects 0.1% Anti-ESG proposals	33% Climate Change Mitigation 16% Say on Climate Statement 15% Say on Non-Financial Information 14% Greenhouse gas emissions 8% Sustainable business strategy 6% Anti-ESG proposals 5% Waste disposal 3% Environmental Impact	38% Charitable and political donations 32% Human and workers' rights 14% Health and safety 7% Supervision of high-risk countries' production chains 6% Diversity and Inclusion 4% Data security & privacy

* Pass corresponds to For&Pass, Against&Fail, One Year&Pass, Abstain&Fail, while fail to Against&Pass, For&Fail, Withhold&Pass, Abstain&Pass. The following combinations are classified as N/A: No voting&Pass, Against&Withdrawn, For&Withdrawn, Against&N/A, Abstain&N/A.

Source: 2023 Stewardship Report available on the [Company's website](#)

Number of Shareholders' meetings voted by Epsilon SGR

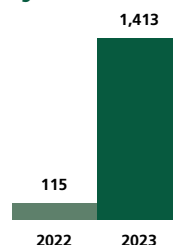


5,502
Resolutions
on the agenda
voted on

86%
Shareholders'
proposals
supported

28%
Shareholders'
proposals **voted on** in
disagreement with the
*Proxy Advisor*³⁶

Number of Shareholders' meetings voted by Eurizon Capital SA



18,575
Resolutions
on the agenda
voted on

90%
Shareholders'
proposals
supported

28%
Shareholders'
proposals **voted on** in
disagreement with the
*Proxy Advisor*³⁶

36. In order to support their investment decisions and the exercise of participation and voting rights, Eurizon Capital SGR, Epsilon SGR and Eurizon Capital SA also make use of the services of a proxy advisor, in order to streamline - in compliance with the principle of proportionality - the analyses in preparation for the definition of voting instructions. The recommendations provided by the aforesaid advisor are never binding and the Companies reserve the right to take voting decisions that deviate from the recommendations given by the proxy advisor and by the management of the investee company. In any event, in order to avoid any risk of over-reliance, the Companies maintain an active dialogue with their advisor.

SLATE VOTING MECHANISM

Eurizon Capital SGR, Epsilon SGR and Eurizon Capital SA contribute to electing Statutory Auditors and/or Board Members of the issuers listed on the Italian Stock Exchange through the slate voting mechanism, representing minority shareholders and in coordination with Assogestioni.

When appointing candidates to be included on the minority lists on behalf of institutional investors, the companies comply with the principles and criteria identified by the Corporate Governance Committee of Assogestioni, which set the requirements of professionalism, integrity and independence of candidates, as well as the applicable ineligibility and incompatibility requirement. Moreover, the companies have adopted the **"Independence Protocol"** for the management of conflicts of interest prepared by Assogestioni, with the aim of safeguarding the independence of the companies' decision-making powers.

RESULTS OF THE SLATE VOTING MECHANISM

Eurizon Capital SGR

44¹

Companies for which at least one list of candidates has been filed

59

Members elected

50%

Female representation among elected candidates²

51%

Female representation among the candidates elected to sit on the BoD

1. The figure includes no. 1 shareholders' meeting for which Eurizon Capital SGR contributed to the filing of the list of candidates for the renewal of the corporate bodies, in coordination with Assogestioni, representing minority shareholders, and for which it did not exercise its voting right at the shareholders' meeting as a preventive measure to neutralise the potential conflict of interest identified with respect to the issuer.
2. Eurizon Capital SGR has contributed to electing 59 Directors, 30 of whom are female; 37 Regular Auditors, 15 of whom are women; 33 Alternate Auditors, 20 of whom are women.

Epsilon SGR

12¹

Companies for which at least one list of candidates has been filed

22

Members elected

42%

Female representation among elected candidates²

41%

Female representation among the candidates elected to sit on the BoD

1. The figure includes no. 1 shareholders' meeting for which Epsilon SGR contributed to the filing of the list of candidates for the renewal of the corporate bodies, in coordination with Assogestioni, representing minority shareholders, and for which it did not exercise its voting right at the shareholders' meeting as a preventive measure to neutralise the potential conflict of interest identified with respect to the issuer.
2. Epsilon SGR has contributed to electing 22 Directors, 9 of whom are female; 16 regular Auditors, 6 of whom are women; 12 alternate Auditors, 6 of whom are women.

Eurizon Capital SA

36¹

Companies for which at least one list of candidates has been filed

54

Members elected

47%

Female representation among elected candidates²

46%

Female representation among the candidates elected to sit on the BoD

1. The figure includes no. 1 shareholders' meeting for which Eurizon Capital SA contributed to the filing of the list of candidates for the renewal of the corporate bodies, in coordination with Assogestioni, representing minority shareholders, and for which it did not exercise its voting right at the shareholders' meeting as a preventive measure to neutralise the potential conflict of interest identified with respect to the issuer.
2. Eurizon Capital SA has contributed to electing 54 Directors, 25 of whom are female; 31 Regular Auditors, 13 of whom are women; 27 Alternate Auditors, 15 of whom are women.

ENGAGEMENT ACTIVITIES³⁷

Engagement is defined by Eurizon as the dialogue-conversation with the companies in which it invests, aimed at establishing a medium- to long-term relationship to monitor and determine the commitments undertaken by these companies on specific issues, including strategy, financial and non-financial results, as well as to support voting decisions at the relevant shareholders' meetings. Therefore, the premises for engagement activities are **involvement, relationship** and **commitment**.

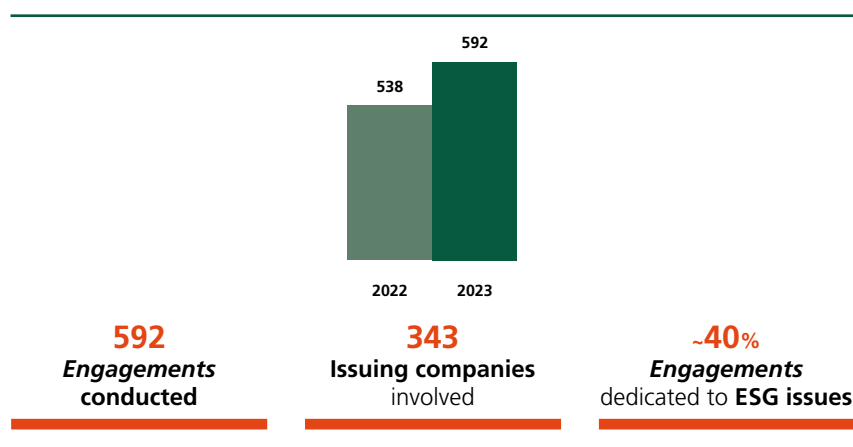
Eurizon promotes proactive interaction with the companies in which it invests, encouraging effective communication with the management of the investee companies, using one of the following engagement methods:

- **"one-way"** or unilateral, where one party initiates communication in order to inform the other about a specific issue;
- **"two-way"** or bilateral, in which both parties constructively interact in order to mutually monitor the topics covered by the meeting;
- **collective³⁷**, which envisages the coordinated action of several investors towards a specific issuer regarding targeted issues, for example through (i) participation in the activities of the Corporate Governance Committee and the Managers' Committee promoted by Assogestioni; or (ii) initiatives promoted jointly with other investors, within the framework of international associations in which the Company participates, such as IIGCC, UN PRI, CA100+ and Nature Action 100.

The tools used by Eurizon to carry out engagement activities may include - among others - conference calls, webcast presentations, letters and, where possible, personal meetings.

During 2023, the Company conducted a total of 592 engagement initiatives with 343 issuers.

The engagements classified as ESG during the period amounted to 228 and accounted for approximately 40% of the total engagements carried out in the period, confirming Eurizon's commitment to sustainability issues.

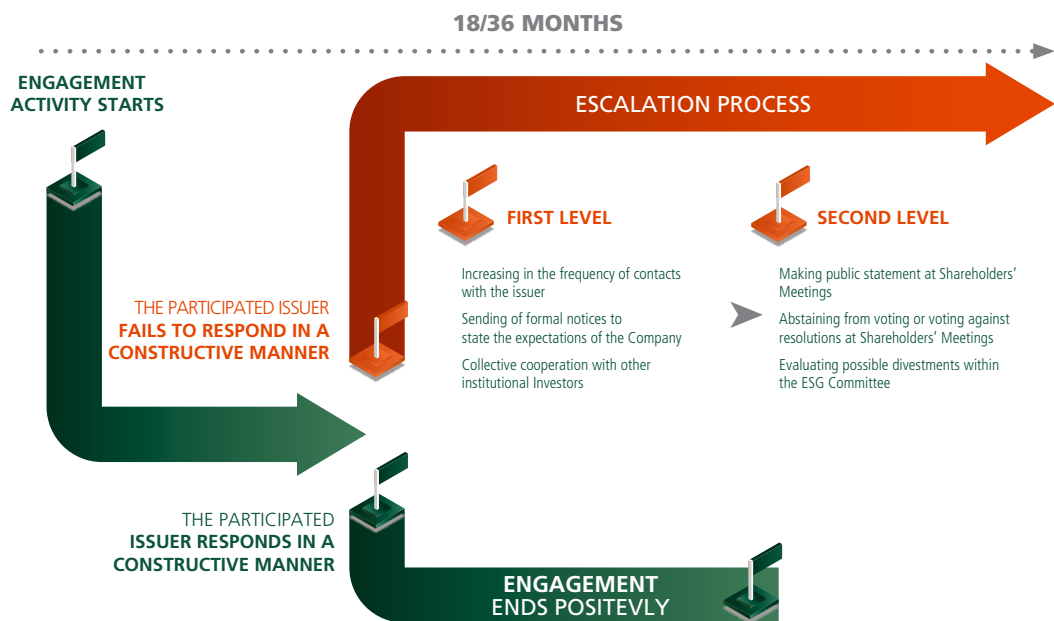


37. Any collective engagement method is conducted in compliance with the internal and external regulations for the management of conflicts of interest and on inside information ("market abuse") paying particular attention to regulations governing joint actions.

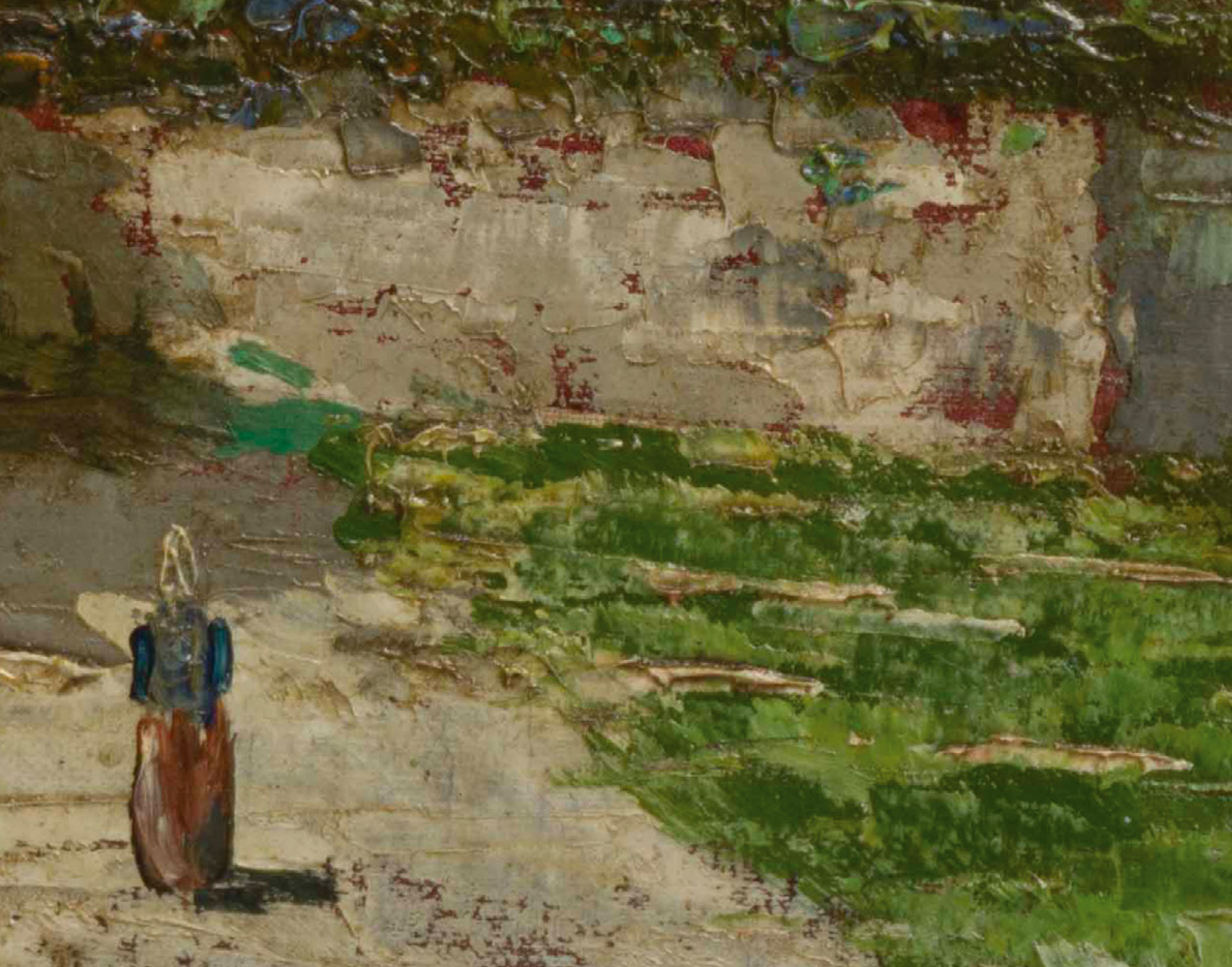
Eurizon believes that intervention on investee companies is more effective when it is built on a long-term relationship with the corporate bodies and senior management which, in such situations, are more inclined to consider institutional investors as credible and committed partners. In this respect, the engagement activity is complementary to both the analysis of investments and to the exercising of voting rights because it allows specific issues involving issuers to be addressed, avoiding, in the first instance, assessing the disposal of the equity investment or casting a dissenting vote.

As provided for in the Engagement Policy, the Company has the option to activate specific "escalation" procedures against issuers, as outlined below.

ESCALATION PROCESS



Source: 2023 *Stewardship* Report available on the [company's website](#).



Sustainability in our
business model

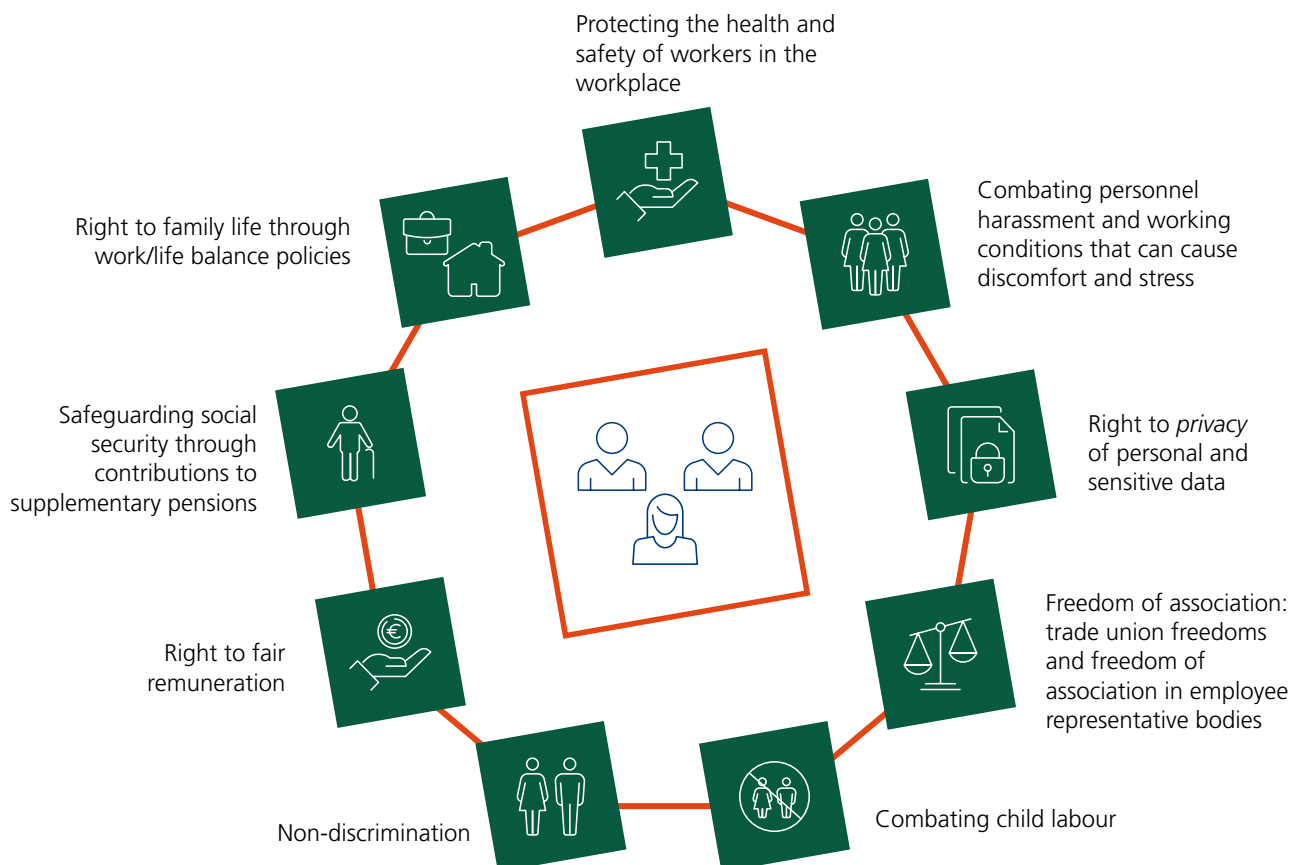


Our people

FOCUS ON PEOPLE AND RESPECT FOR HUMAN RIGHTS

People are at the heart of Eurizon's business model, which prioritises health and safety in the workplace, workers' rights and gender equality, including through the application of the Intesa Sanpaolo Group's diversity and inclusion principles, while constantly investing in the training and skills development of all its resources. On this basis, the Company aims to contribute daily to the generation of positive impacts, including long-term, for its employees, both in the corporate sphere, by supporting the building of internal relations and the performance of the work activities of each resource, and in the private sphere, thanks, for example, to work/life balance policies.

COMMITMENT TO OUR PEOPLE



As evidence of the attention paid to these issues, the Intesa Sanpaolo Group has defined an internal body of regulations that promotes care for people and respect for human rights, with the aim of identifying, mitigating and where possible preventing potential violations of these rights in the performance of its activities, in line with the recommendations of the UN guidelines on the subject (i.e. "UN Guiding Principles on Business and Human Rights").

In particular, the **Code of Ethics** is a voluntary self-regulatory tool, which describes the values with which the Intesa Sanpaolo Group identifies and the conduct to be adopted, including in the management of relations with Stakeholders. The Code of Ethics also illustrates the commitment to respecting the principles

established by the fundamental conventions of the International Labour Organisation ('ILO'), including the prohibition of forced and child labour and non-discrimination in employment practices.

Compliance with the Code is supervised and monitored by the competent governance and control functions of the Parent Company, which ensures that these activities are carried out independently according to adequate professional standards. A dedicated mailbox is in place for the management of any reports of non-compliance with the Code of Ethics, whereby, without prejudice to legal obligations, the reporting system ensures the confidentiality of the whistleblower, thus excluding the risk of any retaliatory, unfair or discriminatory behaviour.

In line with the provisions of the **Principles on Human Rights** and the **Code of Ethics of the Intesa Sanpaolo Group**, Eurizon Capital SGR has adopted a framework of corporate policies that outlines the Company's commitment in this area and identifies its areas of responsibility towards each Stakeholder, from employees to customers and suppliers. Specifically, Eurizon incorporates the principles and regulations adopted by the Intesa Sanpaolo Group by putting in place the measures and processes required to implement them in the context of its own activities.

In this context, Eurizon Capital SGR undertakes to promote, by means of appropriate training and information systems and an adequate system of internal controls, compliance with the regulations in force, including with reference to combating any form of sexual harassment, in line with the provisions of the Group's **Internal Code of Conduct** and of the **Rules for Combating Sexual Harassment**.

These internal policies are published on the Intranet and are available on the Company's website. Employees receive ad hoc training on their content to ensure their correct application, which is instrumental in disseminating the correct company culture, knowledge of the controls and at the same time enhancing the value of its resources by strengthening their skills.

With regard to the actions implemented to improve employees' work quality, with a view to enhancing the value of its resources, Eurizon provides them with benefits such as life and health insurance cover, policies to cover disability and invalidity, parental leave, pension contributions and share ownership.

In order to monitor the effectiveness of the actions taken, Eurizon regularly checks parameters such as the number of accidents occurring in the workplace, the number of employees with part-time contracts and flexible work contracts, as well as reports of violations of the Code of Ethics such as, for example, any discrimination or pending lawsuits due to mobbing incidents or violations of personal data protection regulations.

At the end of 2023, the Asset Management Division had 742 employees, mainly in Italian offices, 56% of whom were middle managers. Over 99%³⁸ of employees are employed on open-ended contracts, thus favouring job security for workers, and 94% on a full-time basis. At the end of 2023, there were also 1 temporary worker and 11 trainees. In 2023, 28 terminations of employment were recorded³⁹, as opposed to 48 new hires.

In 2023, the total training hours provided to employees amounted to approximately 22,928, equivalent to an average of 31 hours per employee. Specific health and safety training activities were carried out in 2023: general and specific training on Italian Legislative Decree 81/2008 was provided to employees and contractors⁴⁰, as well as refresher courses on first aid and fire-fighting.

38. There are four employees on fixed-term contracts and all of them are based in Eastern Europe.

39. The reasons for termination of employment include: voluntary resignation, retirement, redundancy, death or other.

40. All trainees must attend the two basic General and Specific Training courses on Italian Legislative Decree 81/2008.

SUSTAINABILITY TRAINING

In the area of specialised training, ESG courses were organised during 2023 on topics such as diversity and inclusion both in terms of gender and generational, leadership and ethics. In particular, as part of the “**Alta Formazione Eurizon**” (Eurizon Advanced Training) programme, two training modules on sustainability were delivered to under-35 employees of the Italian companies of the Division, namely “Ethics and Behaviour” covering Diversity & Inclusion (D&I) topics and “The ESG Dimension”, which illustrated the ESG impact in finance, the economy and society and the Division’s Sustainability Policy.

Overall, more than 500 people within the Company benefited from digital training through the Group platform on ESG-relevant topics, including Diversity & Inclusion, in order to raise awareness on issues such as anti-harassment, sustainable finance and combating climate change.

Employees also had access to specialised training sessions, such as the **Certificate in ESG Investing** and the **Certificate in Climate and Investing** from the CFA Institute and the certification **PRI Applied Responsible Investment**.

2023 saw the continuation of the format of periodic in-depth reports entitled “**ESG Breakfast**” conducted by the ESG & Strategic Activism Structure to enable the Company’s Marketing and Sales Development Department to better understand how ESG issues impact the choices of the Company’s customers.

INCLUSION AND DIVERSITY

Eurizon promotes principles of diversity, equity and inclusion, applying this approach to all internal processes in order to create value for all Stakeholders.

The Company implements the **Diversity & Inclusion Principles** promoted by the Intesa Sanpaolo Group, geared towards respecting all people in the expression of their identity and diversity, talent development, meritocracy and fair opportunities; in this context, it should be noted that, as a company of the Intesa Sanpaolo Group, Eurizon obtained the **Gender Equality Certification required by the National Recovery and Resilience Plan (NRRP)**. In this area, the Parent Company has defined specific controls to monitor and address these issues, including the involvement of the Asset Management Division.

Consistently with the objectives of the inclusion policy, and in line with internal rules in relation to human resources management, Eurizon undertakes to:

- create a working environment characterised by plurality and multiculturalism, based on trust and respect for each individual, which is able to generate value from the dialogue between people with different characteristics and opinions, and in which everyone feels free to express themselves in an authentic way;
- recognise and value the talent of each employee and collaborator, ensuring equal opportunities for all;
- use and promote respectful and inclusive language, communication styles and work organisation methods;
- make physical locations, communications, company information and training activities accessible to all colleagues;
- combat all forms of discrimination and harassment, persecution, offence and inappropriate conduct;
- spread the value of inclusion in the socio-economic context and in the territories where the Company operates.

The Company also recognises the importance of protecting the rights of persons with disabilities.

Eurizon believes that these objectives are not only an ethical duty towards its employees and all Stakeholders, but they also help promote the positive contamination of ideas with the aim of enhancing the Company's brand reputation and fostering employee retention and motivation as well as the attractiveness of the best talents on the job market.

To verify the effectiveness of the actions taken on and to ensure alignment between what is happening on a daily basis and the Diversity & Inclusion Principles, the Company monitors several parameters such as:

- the **assessment of ESG KPIs** assigned to Management, with a special focus on achieving gender equity;
- the **application of the diversity and equity principles** in recruitment processes and in the definition of professional growth and development paths;
- the obtainment and **maintenance of appropriate certifications for gender equality**;
- the **number of reports** of potential **non-compliance** with **internal regulations**.

At the end of 2023, in line with the previous two years, 44% of Eurizon's workforce consisted of female employees, predominantly aged between 31 and 50 years (66%). Moreover, 50% of new hires in 2023 were women.

In order to promote inclusion, Eurizon is also committed to ensuring the accessibility of its physical sites and information to all its Stakeholders. In this context, the Company's website facilitates access to IT tools for disabled persons, in line with the provisions of the regulations in force.

The Diversity&Inclusion strategy is continuously updated on the basis of constant benchmarking against national and international market practices and the involvement of internal and external Stakeholders.



of **women** out of total employees

INITIATIVES PROMOTED

In 2023 as well, Eurizon supported numerous initiatives designed to promote an inclusive corporate culture, including:

PAROLE DI TUTTO RISPETTO	The project, promoted by the Intesa Sanpaolo Group, encourages the use of an increasingly respectful and inclusive language through the internal sharing of content aimed at enhancing differences.
FEMALE LEADER ACCELERATION (FLA)	The project, promoted at Group level, involved eleven Eurizon women, with the aim of building a development path for the colleagues involved, with a view to accelerating their effectiveness in the role, enhancing their individual leadership and creating a network to support their managerial growth over time.
PINK ONBOARDING	As part of the Back@work programme, this initiative aims to help resources on maternity leave stay connected with the world of work by facilitating their gradual return. The initiative involves a continuous dialogue over time with a dedicated HR manager, who remains available during the maternity leave period and plans the return to work with the new mother, scheduling the necessary training activities and making the process as smooth as possible.
INCLUSIVE LEADERSHIP	Training course for managers with the aim of spreading the culture of inclusiveness in the daily management of <i>teams</i> of reference.
YEP	An initiative promoted at Group level, in which Eurizon participated through a number of female colleagues as <i>mentor</i> for young female students at universities in Southern Italy to support them in their approach to the world of work and to provide them with the tools to guide their academic and career choices in a conscious manner.

Commitment to customers and the community

SERVICE QUALITY AND CUSTOMER SATISFACTION

In the performance of its activities, Eurizon aims to provide a quality service and to meet the needs of customers who are increasingly inclined to consider more than just economic and financial factors in their investment choices.

To this end, as set out in the Group's Code of Ethics, Eurizon is inspired by principles based on listening and dialogue with customers, transparency, fairness, accessibility and sustainability of the products and services offered.

Listening to customers' needs is carried out through the monitoring of the different sales channels (aimed at establishing a dialogue capable of intercepting customer needs), participation in multi-client market surveys (aimed at identifying the main trends in the world of asset management and developing the product offering) and through periodic questionnaires addressed to customers that enable the Company to identify possible areas for improvement in its business. To this end, through its communication channels, Eurizon undertakes to guarantee its customers transparency with respect to the products and services offered⁴¹, providing documentation in line with the applicable regulatory framework, its social responsibility and its values.

Effective handling of customer complaints contributes to maintaining the relationship of trust between the Company and its customers and to identifying any critical issues in the products and services offered. Complaint handling therefore takes place in accordance with the regulations applicable from time to time and is governed by internal regulations that define the associated roles, responsibilities and processes. In particular, customer complaints are handled according to principles of transparency and fairness. To this end, Eurizon's website provides customers with useful information on the submission of complaints.

FINANCIAL EDUCATION AND PROMOTION OF A SAVINGS CULTURE FOR THE COMMUNITY

Contributing to the financial education of the community is part of Eurizon's commitment to promoting and disseminating a long-term financial culture, including through partnership initiatives with associations operating in the area.

The Company's aim is to illustrate in a simple and clear manner concepts and topics that can be useful for the purposes of understanding the issues that dominate the current economic scenario and making informed decisions in the world of financial markets. In this respect, the Company recognises its role in enhancing financial education in the country.

Indeed, Eurizon's commitment translates into financial education and training initiatives which, in addition to enabling the development of specific skills, aim to raise awareness of issues related to asset management and finance. Among others, Eurizon provides client networks and institutional customers with Eurizon WISE, a training model that delivers training content to acquire and maintain the knowledge and competence required for Financial Advisors by the Regulator.

Furthermore, the Pick&Pack programme, offering an extensive provision of ESG, financial and behavioural topics, was delivered through:

- Video lessons with "certified" programmes in line with current regulations;
- Webinars on market scenarios and financial news;
- Specific Learning Object formats to effectively convey product features and benefits;

41. For further information, reference is made to the section "Commitment to transparency" on page 44.

- Courses tailored around customised needs;
- Classroom meetings, supplemented with online courses where necessary.

FINANCIAL EDUCATION INITIATIVES UNDERTAKEN ON ESG ISSUES

Eurizon Capital SGR, through its Chief Executive Officer, took on the chairmanship of the Financial Education Committee of the Assogestioni trade association, which defined a communication plan aimed at improving young people's skills in savings, investments and pension schemes.

Furthermore, in 2023 Eurizon continued to organise courses for its Distributors on sustainability issues. In order to promote the dissemination of ESG issues, specific training and education activities were carried out on the sustainability aspects of investments, climate change and sustainable development.

Finally, it should be noted that Eurizon Capital SGR has made available on its website a section dedicated to financial education which features in-depth studies drawn up by Eurizon specialists and a glossary on economic, sustainability and investment issues, which can be used as a useful guide to navigate the financial world. During 2023, the company expanded its existing offer with additional animated videos and thematic papers disseminated on social networks.

SUPPORT TO LOCAL COMMUNITIES THROUGH CHARITABLE INITIATIVES

With the aim of generating tangible short and long-term impacts and contributing to the creation of a more inclusive, sustainable and environmentally friendly society, some of the products managed by Eurizon envisage - in their offering documents⁴² - the disbursement of donations in favour of Third Sector Entities engaged in social and/or environmental activities such as scientific research for the treatment of serious illnesses, assistance and healthcare for the most fragile sections of the population and the protection of the environment and animals.

Each year, the recipients of these sums are identified through an internal reporting process that actively involves the Division's employees, who can put forward projects and initiatives of value to the community. Over the years, the number of organisations reported has increased, as evidence of the high level of interest in local entities and in projects with social and environmental benefits. Eurizon believes that these activities make it possible to **contribute** to the realisation of a **society that is more inclusive, sustainable and respectful of the environment and people**.

The list of Entities that passed the appropriate checks is submitted to the Devolutions Committee⁴³, the body that oversees the devolution and charitable activities carried out by the Division and that formulates proposals to be submitted to the Board of Directors for the purpose of the resolutions relating to the beneficiary Entities and the amounts to be disbursed.

For the year 2023, the Devolutions Committee approved the donation of a total amount of 733,000⁴⁴ euro to 56 charitable initiatives within the scope of the devolutions envisaged in the offering documentation of these mutual funds. In this context, priority was given to initiatives supporting social and humanitarian activities, medical research and support for the needy.

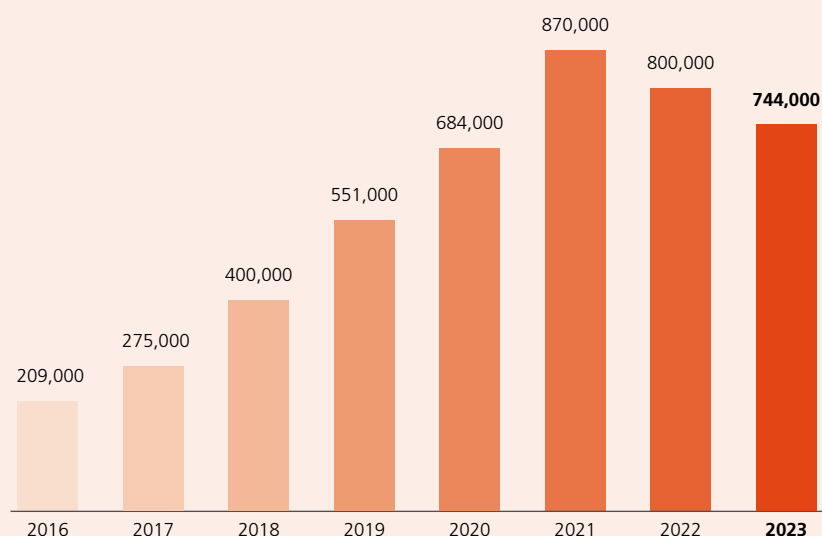


42. The Italian funds belonging to the Ethical System, in addition to the products Eurizon AM Bilanciato Etico, Eurizon AM Sicav Social 4 Planet and Eurizon AM Sicav Social 4 Future, involve a commitment to financing humanitarian and/or environmental projects and initiatives through the devolution of a sum calculated at the end of each fiscal year. Therefore, according to the terms of the offering documentation, the Company donates a portion of the Funds' total average daily net assets or management fees accrued.

43. For further details, reference is made to the chapter "Sustainability Governance".

44. In addition to this amount, 11,000 euro was donated for a further 2 initiatives deemed worthy by the Committee but not relevant to the donations from the funds mentioned in note 42.

In order to verify the way in which the devolutions disbursed contributed to generating positive effects and to monitor the effectiveness of the actions undertaken over time, Eurizon annually requests feedback from the beneficiary Entities on the activities supported and the positive environmental or social impacts generated.



THE IMPACT OF DEVOLUTIONS ON THE SDGs SINCE 2017



THE IMPACT OF DEVOLUTIONS ON THE SDGs SINCE 2017

Listed below are some of the organisations Eurizon donated to in 2023:



SOCIETÀ ITALIANA
DI CHIRURGIA
ONCOLOGICA
ESSO AFFILIATED

SICO – SOCIETÀ ITALIANA DI CHIRURGIA ONCOLOGICA



CROCE D'ORO
MILANO ONLUS
Pubblica Assistenza

CROCE D'ORO MILANO ONLUS



CRAZY CATS



ISEMPREVIVI ONLUS



CASINA
DEI BIMBI
ONLUS

CASINA DEI BIMBI



ASSOCIAZIONE
ITALIANA PER LA LOTTA
AL NEUROBLASTOMA ONLUS

ASSOCIAZIONE ITALIANA PER LA LOTTA AL NEUROBLASTOMA ONLUS



ItaliaAdozioni

ITALIAADOZIONI - APS



FARSI PROSSIMO SALUTE - SCS ONLUS



RUN FOR
EMMA & FRIENDS
ETTS

#RUNFOREMMA & FRIENDS ETTS



FONDAZIONE DOPO DI NOI – PER MORTARA E LOMELLINA ONLUS



MADE IN CARCERE – OFFICINA CREATIVA



Eurizon Capital SGR, Milan - headquarters details

Ethics and integrity in the conduct of business

Eurizon provides financial services to its customers in compliance with the value of integrity, broken down into the principles of professionalism, diligence, honesty, fairness and responsibility. As a company of the Intesa Sanpaolo Group, in compliance with the standards defined by the Code of Ethics and the additional internal rules of conduct, Eurizon is committed to achieving its corporate objectives with fairness and professional ethics, preventing anti-competitive behaviour as well as money laundering or corruption through the proper implementation of the set of internal policies and rules by the relevant functions and by all collaborators.

In line with the principles, rules and restrictions adopted, Eurizon fights against all forms of corruption and any conduct involving the offer or acceptance of money or other benefits. More specifically, the SGR has prepared the **Anti-Corruption Regulation**, which is updated on an annual basis and ensures the control of related risks.

In this regard and in accordance with international standards, in order to ensure the implementation of the general "Zero Tolerance" principle, the Company has identified certain areas where the risk of phenomena such as money laundering or corruption appears to be higher and situations instrumental to the potential commission of corruptive conduct, such as gifts and entertainment expenses, charity and sponsorships, relations with third parties⁴⁵, the purchase, management and disposal of shareholdings and other assets, personnel recruitment and the purchase, management and disposal of real estate.

In order to ensure compliance with the principle of integrity, any Company employee who is the recipient of, or becomes aware of, a request for or offer of money or other benefits, by whomever formulated, aimed at the performance or omission of a function or activity, is required to promptly report it to his or her Manager, who in turn is required to forward the report received to the Anti-Bribery and Corruption Manager and to the Internal Audit Function for the appropriate evaluations. On the basis of the same principles, disciplinary measures are applied in accordance with the rules and contractual provisions against Company personnel who are involved in or facilitate an act of corruption.

Similarly, with reference to external parties, the Company shall terminate any type of relationship with third parties that violate anti-corruption regulations.

As far as anti-corruption controls are concerned, Eurizon Capital SGR attained the ISO 37001 Certification (so-called "Anti-bribery management systems") already obtained by the Intesa Sanpaolo Group. During the year, there were no cases of dismissals and/or disciplinary sanctions against the Company's employees.

In addition, Eurizon has drawn up **Guidelines for combating money laundering and terrorist financing and managing embargoes, as well as a specific Regulation for the prevention and reporting of market abuse**.

In support of the safeguard put in place by the internal control functions, the dissemination of internal documentation via the company *intranet* and the training provided to employees and members of the Board of Directors promote the proper application of internal regulations.

The Company has equipped itself with tools and opportunities for interaction to ensure adequate monitoring with respect to the main non-compliance risk issues.

Pursuant to current regulations, the corporate control functions prepare and periodically submit to the Board of Directors specific reports illustrating the activities carried out and the results that have emerged, the measures adopted to remedy any shortcomings found, and the activities planned for the following period⁴⁶.

45. Third parties are understood to mean suppliers and other parties who provide their services to the Group and the Company.

46. In the event of any delays with respect to the original schedule of interventions, Eurizon puts in place specific escalation mechanisms which, in the event of a delay concerning critical issues recorded as being equal to or greater than medium-high importance, triggers the involvement of the Company's Top Management. In this regard, no critical issues with such importance were reported in 2023.

MANAGEMENT OF REPORTS AND WHISTLEBLOWING

The Stakeholders, in accordance with their role, are entitled to raise concerns or report any violations of which they may become aware. More specifically, the Company has adopted the Group model for the management of reports of circumstances or conduct that may constitute a breach of the regulations (the so-called “**Whistleblowing Model**”), as governed by the “**Group Rules on Internal Violation Reporting Systems (Whistleblowing)**”. Reports can be submitted by the personnel concerned via e-mail.

In the presence of circumstances that may give rise to Eurizon Capital SGR's liability pursuant to Italian Legislative Decree No. 231/2001, even external parties, other than employees, may submit reports directly to the Supervisory Board, including anonymously, reporting the offence committed or reasonably alleged, any breaches of the rules of conduct or procedures pursuant to the Organisation and Management Model, or the initiation of legal proceedings against the recipients of the same Model.

In any event, whistleblowers are protected against any form of retaliation, discrimination or penalisation: the Company will ensure the utmost confidentiality regarding their identity, without prejudice to legal obligations.



Eurizon Capital SGR, Milan - headquarters details

Our commitment to IT security and technology development

PRIVACY AND DATA SECURITY

The Intesa Sanpaolo Group attaches importance to the protection of systems and information. The Company is committed to protecting, collecting and processing the personal data of its customers and employees in a secure manner, in compliance with current regulations.

With reference to privacy protection, the Division has implemented policies and processes in compliance with Regulation (EU) 2016/679 ("GDPR") or similar national provisions on the matter, as well as Intesa Sanpaolo Group practices. Eurizon Capital SGR has appointed a Data Protection Officer, identified as the Head of the Compliance & AML Function, who, in the performance of his/her duties, relies on the support of the competent corporate structures for the purposes of assessing the risks of non-compliance. Moreover, **internal privacy regulations** define the main macro-processes for managing the risk of non-compliance in terms of personal data protection including those relating to the definition of processing methods and the implementation of appropriate security measures (so-called "privacy by design").

No risks to the rights and freedoms of data subjects were detected during the year, and it was therefore not necessary to notify the Data Protection Authority of any loss or theft of personal data.

Pursuant to the **Intesa Sanpaolo Group's Information Security Governance Model**, the Head of the Cybersecurity & Business Continuity Structure of Eurizon Capital SGR acts as Information Security Officer, with responsibilities relating to information security in line with the rules of internal policies and regulations in force and with reference to the management of business continuity issues.

In order to prevent infrastructure unavailability, in line with the Business Continuity Plan of the Intesa Sanpaolo Parent Company, Eurizon has defined its own business continuity management model, based on the specificities of its business. Finally, it is noted that a total of 750 hours of specific training on privacy protection and 336 hours on cybersecurity were provided in 2023.

DIGITAL INNOVATION AND TECHNOLOGICAL DEVELOPMENT

Eurizon considers technological innovation as one of the most material topics, capable of contributing to the broader digitisation objectives at the European level, also with a view to limiting environmental impacts. For this reason, the Company recognises the importance of contributing to the development of digital solutions and processes in its operations and is committed to supporting the digital transition, through the revision and robotisation of processes, with a view to innovation and the acceleration of the dematerialisation of processes.

The digitisation and robotisation procedures implemented, such as the use of artificial intelligence and machine learning, are also aimed at improving and streamlining the processes and tools in support of work activities including in terms of sustainability, as well as improving customer service. In this regard, and in continuation of the actions put in place since 2022, Eurizon has promoted the implementation of numerous initiatives to support the reduction in paper consumption through, for example, the adoption of a paperless approach and the **robotisation** and standardisation of **repetitive processes**, with the aim of **increasing operational efficiency** and streamlining data management.

Environmental commitment in our activities

MINIMISATION OF DIRECT IMPACTS ON THE ENVIRONMENT

Environmental protection represents a key dimension of Eurizon's commitment, which is reflected not only in its investment activities, but also in the management of the direct impacts deriving from the Company's operations through the efficient and responsible use of its resources. In this context, Eurizon recognises that the main environmental impacts derive from the energy consumption of its offices and the use of water resources.

During 2023 the **head office** of Eurizon Capital SGR will be relocated to a new building, based on **smart and responsible** architecture concepts, which also houses other business areas of the Intesa Sanpaolo Group. The building presents a set of architectural features that are attentive to the use of sustainable materials, with a focus on the safety of materials, the use of renewable energy and water saving, in order to minimise the impact on the environment.

The internal regulations incorporate the approach towards the efficient use of resources to reduce direct emissions, in compliance with environmental legislation and policy rules, consistently with Intesa Sanpaolo Group's approach. Furthermore, the Management, Organisation and Control Model, pursuant to Italian Legislative Decree 231/01, defines and regulates, among others, environmental offences relating to pollution and environmental disaster, trafficking and abandonment of highly radioactive material, criminal conspiracy with environmental aggravation, offences against animal or plant species, violations with respect to water discharges, waste management, and atmospheric emission limits.

In particular, it should be noted that the real estate properties and waste produced by Eurizon are managed at the Intesa Sanpaolo Group level, as is the monitoring of the related consumption. In 2023, energy consumption within the organisation amounted to approximately 4350 MWh, a decrease of around 5% compared to 2022: in this respect, there was a reduction in consumption related to heating (-19.5%) and a reduction in electricity consumed (-8%).

In this regard, it should be noted that as of 2023, the Company has directed the purchase of corporate fleet cars towards hybrid or electric models. **With respect to the energy consumed, in 2023 99.9% of the electricity purchased comes from renewable sources, in line with 2022 and up from 2021.** Scope 1 and 2 emissions increased slightly in 2023, totalling 315 tCO₂e, an increase by 4% compared to 2022.

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

Through responsible supply chain management, Eurizon aims to promote economic development in keeping with its founding values, including sustainability. Supplier selection, if carried out responsibly, can indeed help limit environmental impacts, such as indirect emissions (so-called Scope 3), but also favour economies that protect human rights, while maintaining high quality standards. To this end, the Company has adopted internal regulations governing the procurement management process in line with Group guidelines. The guiding principles behind the materials procurement strategy, besides quality and economic offer, include transparency and tracking of the entire procurement process, sustainability and ESG risk management of the potential supplier.

In the performance of its activities, Eurizon relies on service providers located mainly in Italy (77%) but also abroad (23%): the services provided include IT services, data providers, administrative and custodial services, and consulting services. Suppliers and sub-contractors are selected exclusively from among the counterparties listed in the Supplier Register of the Group Supplier Portal, which, among other criteria, takes into account their sustainability profiles.

In order to maintain a high level of control over the evaluation aspects, a review of the information provided is scheduled on a regular basis and, in the event of the identification of new and significant critical issues, the possibility of continuing this relationship is inhibited.

ESG QUESTIONNAIRE FOR SUPPLIERS

Also in 2023, for the purposes of a more comprehensive assessment of the Company's suppliers, Eurizon relied on a specific ESG questionnaire incorporating aspects of social and environmental responsibility and good corporate governance practices into the assessment criteria, including, for example, (i) locations of the company and of the sub-contractors, (ii) adoption of a sustainability approach, (iii) certifications related to environmental, social or governance management systems, (iv) adopted controls and policies to manage specific ESG aspects, and (v) non-financial reporting initiatives and systems. The results of this questionnaire contribute to the overall supplier assessment for periodic selection/evaluation purposes. The scorecard has a weight of 5% of the total of the parameters considered.

Tables of indicators



Direct economic value generated and distributed*

ITEMS	2021	2022	2023
10. Fee and commission income	3,119,490,611	2,433,415,305	2,187,105,337
20. Fee and commission expense	-1,827,942,246	- 1,516,113,875	- 1,365,373,974
40. Dividend and similar income	22,452	14,930	2,550
50. Interest and similar income	91,081	699,589	21,656,726
60. Interest and similar expense	- 891,127	- 436,912	- 4,261,582
70. Profits (Losses) on trading	- 1,070,119	- 880,900	1,084,283
100. Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss			
b) other financial assets mandatorily measured at fair value	- 3,219,465	- 20,514,419	18,517,578
120. Impairment/reversal of impairment for credit risk of:			
a) financial assets measured at amortised cost	2,461	- 41,387	- 18,398
180. Other operating income and expenses	1,277,496	121,158	288,899
200. Profits (Losses) on equity investments	66,255,225	69,341,365	53,706,540
230. Profits (Losses) on disposal of investments	3,311	-	- 685
A. TOTAL ECONOMIC VALUE GENERATED	1,354,019,680	965,604,854	912,707,274
140. a) Personnel expenses	- 129,160,417	-112,043,460	- 116,374,372
ECONOMIC VALUE DISTRIBUTED TO EMPLOYEES AND COLLABORATORS	- 129,160,417	- 112,043,460	- 116,374,372
140. Other administrative expenses (net of indirect taxes and donations)	- 99,343,893	- 83,755,373	- 98,471,442
ECONOMIC VALUE DISTRIBUTED TO SUPPLIERS	- 99,343,893	- 83,755,373	- 98,471,442
290. Profit (Loss) for the year attributable to minorities	- 812,509	0	0
ECONOMIC VALUE DISTRIBUTED TO THIRD PARTIES	- 812,509	0	0
300. Profit (Loss) for the year pertaining to the Parent Company - Share allocated to the sole shareholder Intesa Sanpaolo	- 755,370,000	- 572,220,000	- 464,310,000
ECONOMIC VALUE DISTRIBUTED TO SHAREHOLDERS	- 755,370,000	- 572,220,000	- 464,310,000
140. b) Other administrative expenses - indirect taxes	- 676,814	- 327,170	- 1,509,878
250. Income tax for the year (current tax)	- 302,361,928	- 218,548,698	- 188,574,949
ECONOMIC VALUE DISTRIBUTED TO GOVERNMENT/PUBLIC ENTITIES	- 303,038,742	- 218,575,868	- 190,084,827
140. b) Other administrative expenses - donations	- 1,404,562	- 800,858	- 749,492
ECONOMIC VALUE DISTRIBUTED TO COMMUNITIES	- 1,404,562	- 800,858	- 749,492
B. TOTAL ECONOMIC VALUE DISTRIBUTED	- 1,289,130,123	- 987,695,559	- 869,990,133
C. TOTAL ECONOMIC VALUE RETAINED (WITHDRAWN)	64,889,557	-22,090,705	42,717,141

* Source: Eurizon Capital SGR Report and Consolidated Financial Statements 2023.

Employees and non-employees⁴⁷

Workers by type of contract by gender and geographical area ⁴⁸	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Italy	No.	271	330	601	249	309	558	263	311	574
Open-ended contracts		271	330	601	249	309	558	263	311	574
Fixed-term contracts		0	0	0	0	0	0	0	0	0
Eastern Europe		31	31	62	29	35	64	30	35	65
Open-ended contracts		29	29	58	27	33	60	28	33	61
Fixed-term contracts		2	2	4	2	2	4	2	2	4
Luxembourg		24	53	77	25	49	74	26	54	80
Open-ended contracts		24	53	77	25	49	74	26	54	80
Fixed-term contracts		0	0	0	0	0	0	0	0	0
United Kingdom		6	9	15	7	10	17	8	8	16
Open-ended contracts		6	9	15	7	10	17	8	8	16
Fixed-term contracts		0	0	0	0	0	0	0	0	0
Asia		1	8	9	2	8	10	1	6	7
Open-ended contracts		1	8	9	2	8	10	1	6	7
Fixed-term contracts		0	0	0	0	0	0	0	0	0
Total		333	431	764	312	411	723	330	416	742
Open-ended contracts		331	429	760	310	409	719	328	414	738
Fixed-term contracts		2	2	4	2	2	4	2	2	4

47. The data used and reported in the following tables consider the number of employees and non-employees in the *head-count* at the end of the reporting year.

48. The increase from 2022 to 2023 is linked to employee turnover.

Employees by type of employment by gender and geographical area	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Italy	No.	271	330	601	249	309	558	263	311	574
Full-time employees		233	328	561	217	307	524	232	310	542
Part-time employees		38	2	40	32	2	34	31	1	32
Eastern Europe		31	31	62	29	35	64	30	35	65
Full-time employees		31	31	62	29	35	64	29	35	64
Part-time employees		0	0	0	0	0	0	1	0	1
Luxembourg		24	53	77	25	49	74	26	54	80
Full-time employees		16	52	68	17	48	65	19	53	72
Part-time employees		8	1	9	8	1	9	7	1	8
United Kingdom		6	9	15	7	10	17	8	8	16
Full-time employees		6	9	15	7	10	17	8	8	16
Part-time employees		0	0	0	0	0	0	0	0	0
Asia		1	8	9	2	8	10	1	6	7
Full-time employees		1	8	9	2	8	10	1	6	7
Part-time employees		0	0	0	0	0	0	0	0	0
Total		333	431	764	312	411	723	328	414	742
Full-time employees		287	428	715	272	408	680	289	412	701
Part-time employees		46	3	49	40	3	43	39	2	41

Atypical Contracts and Internships	UM	2021			2022			2023		
		Women	Men	Total	Men	Women	Total	Women	Men	Total
Staff-leasing contract	No.	0	0	0	1	1	2	1	0	1
Internship		1	6	7	2	10	12	6	5	11

Incoming and outgoing employee turnover

New hires ⁴⁹	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Total new hires		19	17	36	14	14	28	24	24	48
Aged ≤ 30 years		12	7	19	10	6	16	11	15	26
of which Italy		3	1	4	4	3	7	7	11	18
of which United Kingdom		2	0	2	1	1	2	1	0	1
of which Luxembourg		1	4	5	5	1	6	3	4	7
of which Eastern Europe		5	2	7	0	1	1	0	0	0
of which Asia		1	0	1	0	0	0	0	0	0
Aged 31 - 50 years		7	9	16	4	7	11	13	7	20
of which Italy		2	1	3	3	2	5	10	3	13
of which United Kingdom	No.	0	0	0	0	1	1	0	0	0
of which Luxembourg		1	3	4	0	2	2	2	2	4
of which Eastern Europe		4	2	6	0	2	2	1	2	3
of which Asia		0	3	3	1	0	1	0	0	0
Aged > 50 years		0	1	1	0	1	1	0	2	2
of which Italy		0	0	0	0	1	1	0	1	1
of which United Kingdom		0	0	0	0	0	0	0	0	0
of which Luxembourg		0	1	1	0	0	0	0	1	1
of which Eastern Europe		0	0	0	0	0	0	0	0	0
of which Asia		0	0	0	0	0	0	0	0	0

49. It should be noted that in the Incoming and Outgoing table, only movements to and from the market have been taken into account.

Incoming turnover rate ⁵⁰	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Total		7%	5%	6%	4%	3%	4%	8%	6%	7%
Aged ≤ 30 years		5%	2%	3%	3%	1%	2%	4%	4%	4%
of which Italy		1%	0%	1%	1%	1%	1%	2%	3%	2%
of which United Kingdom		1%	0%	0%	0%	0%	0%	0%	0%	0%
of which Luxembourg		0%	1%	1%	2%	0%	1%	1%	1%	1%
of which Eastern Europe		2%	1%	1%	0%	0%	0%	0%	0%	0%
of which Asia		0%	0%	0%	0%	0%	0%	0%	0%	0%
Aged 31 - 50 years		3%	3%	3%	1%	2%	1%	4%	2%	3%
of which Italy		1%	0%	1%	1%	0%	1%	3%	1%	2%
of which UK	%	0%	0%	0%	0%	0%	0%	0%	0%	0%
of which Luxembourg		0%	1%	1%	0%	0%	0%	1%	0%	1%
of which Eastern Europe		2%	1%	1%	0%	0%	0%	0%	0%	0%
of which Asia		0%	1%	1%	0%	0%	0%	0%	0%	0%
Aged > 50 years		0%	0%	0%	0%	0%	1%	0%	0%	0%
of which Italy		0%	0%	0%	0%	0%	1%	0%	0%	0%
of which UK		0%	0%	0%	0%	0%	0%	0%	0%	0%
of which Luxembourg		0%	0%	0%	0%	0%	0%	0%	0%	0%
of which Eastern Europe		0%	0%	0%	0%	0%	0%	0%	0%	0%
of which Asia		0%	0%	0%	0%	0%	0%	0%	0%	0%

50. The total incoming turnover rate by age group and country was calculated by comparing the new hires to the total number of female, male or total employees at the end of the previous year.

Terminations ⁵¹	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
TOTAL TERMINATIONS		7	17	24	17	22	39	9	19	28
AGED ≤ 30 YEARS		1	4	5	1	2	3	3	3	6
of which Italy		0	1	1	0	2	2	0	2	2
of which United Kingdom		0	0	0	0	0	0	0	1	1
of which Luxembourg		0	2	2	1	0	1	2	0	2
of which Eastern Europe		1	1	2	0	0	0	0	0	0
of which Asia		0	0	0	0	0	0	1	0	1
AGED 31 - 50 YEARS		5	12	17	10	9	19	3	10	13
of which Italy		2	7	9	6	5	11	0	4	4
of which United Kingdom	No.	0	2	2	0	1	1	0	1	1
of which Luxembourg		1	1	2	2	3	5	0	2	2
of which Eastern Europe		2	1	3	2	0	2	2	2	4
of which Asia		0	1	1	0	0	0	1	1	2
AGED > 50 YEARS		1	1	2	6	11	17	3	6	9
of which Italy		1	1	2	6	8	14	2	4	6
of which United Kingdom		0	0	0	0	0	0	0	0	0
of which Luxembourg		0	0	0	0	2	2	1	1	2
of which Eastern Europe		0	0	0	0	0	0	0	0	0
of which Asia		0	0	0	0	1	1	0	1	1

51. It should be noted that in the Incoming and Outgoing table, only movements to and from the market have been taken into account.

Reasons for termination	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
TOTAL AS AT 31/12		7	17	24	17	22	39	9	19	28
Voluntary resignation		4	15	19	12	14	26	5	12	17
Retirements		0	0	0	2	2	4	0	2	2
Voluntary early retirements		0	1	1	1	4	5	1	2	3
Death	No.	0	0	0	1	0	1	1	0	1
Other - with incentive		3	1	4	1	0	1	2	3	5
Other - without incentive		0	0	0	0	2	2	0	0	0
Terminations due to expiry of fixed-term contracts		0	0	0	0	0	0	0	0	0

Outgoing turnover rate ⁵²	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Total		3%	5%	4%	5%	5%	5%	3%	5%	4%
Aged ≤ 30 years		0%	1%	1%	0%	0%	1%	1%	1%	1%
of which Italy		0%	0%	0%	0%	0%	1%	0%	0%	0%
of which United Kingdom		0%	0%	0%	0%	0%	0%	0%	0%	0%
of which Luxembourg		0%	1%	0%	0%	0%	0%	1%	0%	0%
of which Eastern Europe		0%	0%	0%	0%	0%	0%	0%	0%	0%
of which Asia		0%	0%	0%	0%	0%	0%	0%	0%	0%
Aged 31 - 50 years		2%	3%	3%	3%	2%	2%	1%	2%	2%
of which Italy		1%	2%	2%	2%	1%	1%	0%	1%	1%
of which United Kingdom	%	0%	1%	0%	0%	0%	0%	0%	0%	0%
of which Luxembourg		0%	0%	0%	1%	1%	1%	0%	0%	0%
of which Eastern Europe		1%	0%	1%	1%	0%	0%	1%	0%	1%
of which Asia		0%	0%	0%	0%	0%	0%	0%	0%	0%
Aged > 50 years		0%	0%	0%	2%	3%	2%	1%	1%	1%
of which Italy		0%	0%	0%	2%	2%	2%	1%	1%	1%
of which United Kingdom		0%	0%	0%	0%	0%	0%	0%	0%	0%
of which Luxembourg		0%	0%	0%	0%	0%	0%	0%	0%	0%
of which Eastern Europe		0%	0%	0%	0%	0%	0%	0%	0%	0%
of which Asia		0%	0%	0%	0%	0%	0%	0%	0%	0%

52. The total outgoing turnover rate by age group and country was calculated by comparing terminations to the total number of female, male or total employees at the end of the previous year.

Diversity of governing bodies and employees

Employees by professional category and gender	UM	2021			2022			2023		
		Women	Men	% out of total	Women	Men	% out of total	Women	Men	% out of total
Executives	%	18%	82%	8%	18%	82%	9%	20%	80%	9%
Middle managers		42%	58%	56%	42%	58%	56%	43%	57%	56%
Professional areas		51%	49%	36%	52%	48%	36%	53%	47%	35%
Total employees		44%	56%	100%	43%	57%	100%	44%	56%	100%

Employees by professional category and age groups	UM	2021			2022			2023		
		aged ≤ 30 years	between 31 and 50 years	aged > 50 years	aged ≤ 30 years	between 31 and 50 years	aged > 50 years	aged ≤ 30 years	between 31 and 50 years	aged > 50 years
Executives	%	0%	31%	69%	0%	31%	69%	0%	26%	74%
Middle managers		0%	61%	39%	1%	60%	39%	1%	57%	41%
Professional areas		17%	73%	10%	18%	71%	30%	21%	66%	13%
Total employees		6%	63%	31%	7%	61%	32%	8%	58%	34%

Employees belonging to vulnerable categories ⁵³	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Percentage of employees belonging to vulnerable categories	%	3%	2%	2%	3%	2%	2%	3%	2%	2%

53. Workers included in the vulnerable categories are: Persons with disabilities pursuant to Article 1 of Italian Law 68/99 and Protected categories pursuant to Article 18 of Italian Law 68/99.

Board members by gender and age ⁵⁴	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Board members by gender	%	20%	80%	100%	22%	78%	100%	25%	75%	100%
of whom ≤ 30 years		0%	0%	0%	0%	0%	0%	0%	0%	0%
between 31 and 50 years		0%	100%	20%	50%	50%	22%	50%	50%	25%
of which > 50 years		25%	75%	80%	14%	86%	78%	17%	83%	75%

54. The figures refer to the Board of Directors of Eurizon Capital SGR S.p.A.; considering also the members of the Boards of Directors of the subsidiaries in 2023, the directors aged between 31 and 50 years account for 30%, of which 64% are men and 36% are women, while the remaining 70% are over 50 years old and 27% are women, while 73% are men.

Basic salary and remuneration ratio of women compared to men

Basic salary and remuneration ratio ⁵⁵ of women compared to men by category and area ⁵⁶	UM	2021		2022		2023	
		Salary	Remuneration	Salary	Remuneration	Salary	Remuneration
Executives		0.78	0.91	0.79	0.85	0.81	0.84
Managers in Italy		0.83	0.94	0.83	0.88	0.83	0.83
Managers in the United Kingdom		n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷
Managers in Luxembourg		n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷
Managers in Eastern Europe		0.54	0.31	0.54	0.42	0.56	0.65
Managers in Asia		n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷
MIDDLE MANAGERS		0.79	0.74	0.81	0.70	0.78	0.75
Middle managers in Italy		0.83	0.76	0.84	0.72	0.82	0.77
Middle managers in the United Kingdom		1.43	1.10	1.34	1.22	1.24	1.38
Middle managers in Luxembourg	-	0.66	0.63	0.83	0.64	0.84	0.86
Middle managers in Eastern Europe		0.91	0.77	0.98	0.77	0.83	0.72
Middle managers in Asia		n.s. ⁵⁷	n.s. ⁵⁷	1.39	0.93	n.s. ⁵⁷	n.s. ⁵⁷
PROFESSIONAL AREAS		0.91	0.83	0.94	0.84	0.88	0.86
Employees of professional areas in Italy		1.00	0.88	0.98	0.80	0.98	0.91
Employees of professional areas in the United Kingdom		1.05	1.13	1.03	1.11	0.80	0.83
Employees of professional areas in Luxembourg		0.99	0.94	0.98	0.91	0.96	0.92
Employees of professional areas in Eastern Europe		0.64	0.61	0.62	0.64	0.68	0.63
Employees of professional areas in Asia		n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁷	n.s. ⁵⁸	n.s. ⁵⁸

55. "Remuneration" is understood to mean the Salary plus additional amounts paid to an employee, which may include, among others, those based on years of service, benefits, overtime, etc.

56. By significant operating locations, Eurizon means the areas where its subsidiaries operate, i.e. Italy, Eastern Europe, the UK, Luxembourg and Asia (Hong Kong).

57. Not significant since the employees within the category refer to one gender only.

58. Not significant since there are no employees from the professional areas in Asia.

Ratio of the annual total remuneration of the highest paid individual to the average annual total remuneration of all employees ⁵⁹	UM	2021	2022	2023
		Total	Total	Total
Ratio of total annual remuneration		12.50	20.57	15.30
Ratio of percentage increases in total annual remuneration	-	-7.73	11.27	-2.47

59. The annual total remuneration includes the basic salary, the bonus pertaining to the previous year awarded during the year and any long-term incentive plans. The negative value of the ratio of the percentage increase in total remuneration for 2023 is due to the decrease from 2022 to 2023 of the annual total remuneration of the highest-paid individual, as this includes the variable component linked not only to the achievement of individual goals but also to the funding of the bonus pool for the division.

Collective bargaining	UM	2021	2022	2023
Employees covered by collective bargaining agreements	NO.	764	723	742
	%	100%	100%	100%

Benefits provided to employees

Benefits for full-time employees ⁶⁰	UM	2021	2022	2023
Life insurance		186.87	193.90	225.00
Health care	(000/	684.40	738.96	796.53
Pension contributions	EURO)	1,790.61	1,764.21	1482.16
Shareholding		5,636.21	3,371.32	4109.60

60. The data below are referred to Italy, UK, Luxembourg, Eastern Europe.

Parental leave

Parental leave	UM	2021			2022			2023		
		Women	Men	Total	Men	Women	Men	Women	Men	Total
Total number of employees entitled to parental leave		20	9	29	7	13	20	29	13	42
Total number of employees who benefited from parental leave		10	9	19	7	13	20	29	13	42
Total number of employees who returned to work during the reporting period after taking parental leave	No.	10	9	19	5	13	18	27	12	39
Total number of employees who returned to work after taking parental leave and who are still employed in the 12 months following their return		7	8	15	5	9	14	5	13	18
Rate of return to work		100%	100%	100%	71%	100%	90%	93%	92%	93%
Retention rate		100%	100%	100%	50%	100%	74%	100%	100%	100%

Average annual training hours per employee

Hours of training provided to employees	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Total training hours delivered		11,465	15,454	26,919	10,398	15,703	26,101	9,760	13,168	22,928
Managers	No.	471	1,784	2,255	613	2,099	2,712	541	1,991	2,531
Middle managers		6,289	8,475	14,764	6,359	8,395	14,754	5,612	7,487	13,099
Employees in professional areas		4,705	5,195	9,900	3,426	5,209	8,635	3,608	3,690	7,297

Average hours of training provided to employees	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Average total training hours		34	36	35	33	38	36	30	32	31
Managers	No.	43	35	36	56	41	44	42	36	37
Middle managers		35	34	34	38	36	37	31	32	32
Employees in professional areas		34	39	36	26	42	33	27	30	28

Hours of training provided to employees on anti-corruption and anti-money laundering	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Total training hours delivered		885	990	1,875	342	354	696	569	728	1,297
Managers	No.	32	129	161	8	44	52	25	126	151
Middle managers		491	580	1,071	196	237	433	354	398	752
Employees in professional areas		362	281	643	138	73	211	190	204	394

Hours of training provided to employees on the protection of free competition	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Total training hours delivered		8	7	15	5	4	9	8	8	16
Managers	No.	0	0	0	0	0	0	1	3	4
Middle managers		5	4	9	3	2	5	2	5	7
Employees in professional areas		3	3	6	2	2	4	5	0	5

Hours of training provided to employees on consumer protection	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Total training hours delivered		1	0	1	2	2	4	0	0	0
Managers	No.	0	0	0	0	0	0	0	0	0
Middle managers		1	-	1	1	1	2	0	0	0
Employees in professional areas		0	0	0	1	1	2	0	0	0

Hours of training provided to employees on privacy protection	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Total training hours delivered	No.	364	475	839	234	187	421	393	357	750
Managers		15	68	83	11	26	37	11	37	48
Middle managers		218	265	483	152	112	264	249	194	443
Employees in professional areas		131	142	273	71	49	120	133	126	259

Hours of training provided to employees on IT security	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Total training hours delivered	No.	706	921	1,627	310	330	640	170	166	336
Managers		22	91	113	22	83	105	4	15	19
Middle managers		431	592	1,023	196	170	366	96	76	172
Employees in professional areas		253	238	491	92	77	169	70	75	145

Number of employees who participated in periodic performance and career development reviews by employee category	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Total	No.	322	422	744	292	401	693	312	403	715
Managers		10	51	61	11	51	62	13	55	68
Middle managers		179	244	423	161	229	390	170	232	402
Employees in professional areas		133	127	260	120	121	241	129	116	245
Percentage of performance reviews conducted per employee	%	97%	98%	97%	94%	98%	96%	95%	97%	96%
Managers		91%	100%	98%	100%	100%	100%	100%	100%	100%
Middle managers		98%	99%	99%	96%	97%	97%	95%	98%	97%
Employees in professional areas		95%	95%	95%	90%	97%	93%	95%	94%	95%

Health and safety

Employee accidents at work ⁶¹	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Recordable accidents at work	No.	0	1	1	1	1	2	1	0	1
of which en route by transport not arranged by the organisation		0	1	1	1	1	2	0	0	0
Deaths (as a result of accidents at work)		0	0	0	0	0	0	0	0	0
Accidents at work with serious consequences (excluding deaths)		0	0	0	0	0	0	0	0	0
Hours worked		372,011	484,036	856,047	369,823	490,704	860,527	393,596	478,649	872,245
Recordable work accident rate		0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.0	0.2
Recordable work accident rate (including commuting)		0.0	0.4	0.2	0.5	0.4	0.5	_62	_62	_62
Rate of deaths due to accidents at work		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate of work accidents with serious consequences (excluding deaths)		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

61. It should be noted that the data shown in the table refer only to employees in Italy, since it is not possible to quantify the hours worked for foreign companies since for the latter the Time Management issues are not managed and the rates have been calculated with reference to 200,000 worked. In particular, the accidents that occurred were slips and falls in the workplace, all of which were minor.

62. In 2023, the value for the category "Recordable work accident rate (including commuting)" is not included because, whereas in previous years recordable work accidents referred to accidents that occurred while commuting on the home-work route, in 2023 the recorded accidents occurred at the workplace. Specifically, during 2023, only one accident occurred during working hours (fall/slide).

Hours of training provided to employees on health and safety	UM	2021			2022			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
Total training hours delivered	No.	570	739	1,309	624	868	1,492	369	556	925
Managers		28	67	95	14	134	148	39	187	226
Middle managers		415	524	939	442	564	1,006	201	241	442
Employees in professional areas		127	148	275	168	170	338	129	128	257

Disclosures and training on anti-corruption policies and procedures

Anti-corruption policies and procedures	UM	2021	2022	2023
Directors to whom anti-corruption policies and procedures have been disclosed	No.	9	9	9
	%	100%	100%	100%
Directors who received anti-corruption training ⁶³	No.	1	0	9
	%	11%	0%	100%

63. Anticorruption training is cyclical, not necessarily annual. The mandatory initiatives launched in 2021 and 2022 are still valid; however, a new training course was delivered to all Directors in 2023, which also covered anti-corruption issues.

Anti-corruption policies and procedures ⁶⁴	UM	2021	2022	2023
Employees who received anti-corruption training	No.	681	277	705
	%	89%	38%	95%
of which in Italy		564	137	560
of which in Eastern Europe		23	41	44
of which in Luxembourg		70	73	80
of which in the United Kingdom		15	16	15
of which in Asia	No.	9	10	6
of which managers		49	25	54
of which middle managers		394	125	412
of which employees in professional areas		238	127	239

64. With reference to the employees to whom the anti-corruption policies and procedures have been disclosed, it should be noted that each year and after each update, these policies are shared with employees via the company intranet. With reference to the Asset Management Division, the policies were disclosed to 100% of employees over the three-year period.

Legal actions for anti-competitive behaviour, antitrust and monopolistic practices

Legal actions for anti-competitive behaviour, antitrust and monopolistic practices either ongoing or completed during the year	UM	2021	2022	2023
Total ongoing or completed legal actions in the reporting year	No.	0	0	0

Incidents of discrimination

Incidents of discrimination related to: race, colour, sex, religion, political opinion, social origin and national descent	UM	2021	2022	2023
Total incidents of discrimination	No.	0	0	0

Substantiated complaints concerning breaches of customer privacy and loss of customer data

Breaches of customer privacy and loss of data	UM	2021	2022	2023
Total substantiated complaints received concerning breaches of customer privacy		0	0	0
of which complaints received from external parties and confirmed by the organisation	No.	0	0	0
of which complaints from regulatory bodies		0	0	0
Total leaks, thefts or losses of customer data detected		0	0	0

Organisation's energy consumption^{65 66}

Total energy consumption	UM	2021	2022	2023
Direct energy consumption		6,244	3,786	3,841
Natural gas consumption for independent heating		6,035	3,585	3,000
Natural gas consumption for cogeneration		0	0	0
Diesel consumption for independent heating		0	0	0
Petrol consumption for the fleet ⁶⁷		5	27	228
Diesel consumption for the fleet ⁶⁷		185	174	613
Indirect energy consumption		14,087	12,758	11,820
Energy consumption from renewable sources		13,813	11,731	10,898
Energy consumption from non-renewable sources (excluding cogeneration)	GJ	61	58	0
Natural gas consumption for condominium heating (including district heating)		813	969	921
Diesel consumption for condominium heating		0	0	0
Total energy consumption from non-renewable sources		7,099	4,813	4,762
Total energy consumption from renewable sources		13,213	11,731	10,898
Total energy consumption		20,312	16,544	15,660

65. Data processed at centralised level in line with the approach used by the Parent Company Intesa Sanpaolo for its own reporting. The values do not include the Hong Kong office.

66. With reference to consumption inside and outside the organisation the sources for the conversion factors are: Intesa Sanpaolo processing from 2023 publications with data referring to 2021 from ABI Lab (Guidelines on the Bank's application of GRI Standards on environmental issues), ISPRA (Istituto Superiore per la Protezione e la Ricerca Ambientale), UNFCCC (United Nations Framework Convention on Climate Change), IEA (International Energy Agency), AIB (Association of Issuing Bodies), EPA (United States Environmental Protection Agency), IPCC (Intergovernmental Panel on Climate Change).

67. In 2023, a calculation method based on the proportionality of the workforce with respect to the Group was used.

Energy consumption outside the organisation ⁶⁸	UM	2021	2022	2023
<i>Upstream categories</i>		3,146	7,018	7,966
Business travel		189	771	1,381
Paper		1,041	602	832
Waste		33	40	33
Office machinery		1,884	1,230	568
Energy vectors ⁶⁹	GJ	0	3,146	3,739
Transport of valuables		0	1,212	1,413
Downstream categories				21
Internet banking		N.A.	17	21 ⁷⁰
Total		3,146	7,018	7,987

68. With reference to consumption outside the organisation, it should be noted that consumption related to office machinery derives from an overall calculation of Group purchases, subsequently broken down proportionally, while consumption related to the transport of valuables and energy vectors derives from an overall calculation for Italy and Abroad, subsequently broken down proportionally. All other figures are calculated on the basis of the exact figure relating to the Company with the application of the appropriate conversion factors.

69. Scope3 emissions generated: (a) in the natural gas supply chain, (b) in the production of the energy sources used in the electricity mix, and (c) in the distribution and transformation of electricity itself.

70. The term "internet banking" refers to emissions related to the use of internet banking as a sales platform for asset management products and was calculated for the first time in 2023 for the years 2022 and 2023.

Energy intensity⁷¹

Energy intensity within the organisation	UM	2021	2022	2023
Total energy consumption	GJ	20,312	16,544	15,660
Electricity consumption	kWh	3,687,306	3,274,735	3,027,387
Number of full-time employees	No.	764	723	737 ⁷¹
Number of collaborators and consultants ⁷²	No.	884	878	899
Number of square metres ⁷³	sq m	37,751	34,947	9,699
Energy intensity per employee (total energy)	GJ/No.	27	23	21
Energy intensity per collaborator/consultant (total energy)		23	19	17
Energy intensity per square metre (total energy)	GJ/sq m	0.5	0.5	1.6
Energy intensity per employee (electricity)	kWh/No.	4,826	4,529	4,108
Energy intensity per collaborator/consultant (electricity)		4,171	3,730	3,368
Energy intensity per square metre (electricity)	kWh/sq m	98	94	312

71. Data processed at centralised level in line with the approach used by the Parent Company Intesa Sanpaolo for its own reporting. The values do not include the Hong Kong office.
72. Collaborators and consultants include external personnel with ongoing projects, i.e. who are on the premises for more than 180 days of the year and therefore consume on a permanent basis.
73. The decrease in the square metres is due both to the change of location that took place during the year and to the fact that from 2023 onwards, the figure has been accurately recorded in the building sheets, unlike the estimates made by the Parent Company in previous years.

Energy intensity outside the organisation	UM	2021	2022	2023
Total energy consumption	GJ	3146	7,018	7,987
Energy intensity per employee (total energy)	GJ/No.	4	10	11
Energy intensity per collaborator/consultant (total energy)		4	8	9
Energy intensity per square metre (total energy)	GJ/sq m	0	0	1

GHG emissions^{74 75 76 77}

Emissions	UM	2021	2022	2023
Direct GHG emissions (Scope 1)		404	259	279
Emissions from natural gas for independent heating		350	209	177
Emissions from natural gas for cogeneration		0	0	0
Emissions from diesel for independent heating		0	0	0
HFC gas emissions from air conditioning systems		40	35	40
Corporate fleet emissions ⁷⁸		14	15	62
Indirect GHG emissions (Scope 2)		55	43	37
Emissions from electricity consumed (excluding cogeneration)	tCO ₂ e	8	7	0
Emissions from natural gas for condominium heating (including district heating)		47	36	37
Emissions from diesel for condominium heating		0	0	0
Total direct + indirect emissions (Scope 1 + 2 Market-based)		459	302	315
Total direct + indirect emissions (Scope 1 + 2 Location-based)		1,479	1,149	1,130

74. The data on greenhouse gas emissions are calculated at the centralised level of the Intesa Sanpaolo Parent Company, which reports in terms of CO₂ equivalent, in accordance with the international GHG Protocol (Greenhouse Gas Protocol) standard, Scope 1 and Scope 2 emissions. Furthermore, the Group is not only limited to the reporting of Scope 1 and 2 emissions, but also undertakes to report on Scope 3 emissions, which are related to the company's activities but not directly controlled by the same (paper, waste, office machinery, etc.).
75. The calculation of Scope 1, Scope 2 and Scope 3 emissions takes the following gases into account: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃.
76. The emission factors for CO₂ calculation are processed by Intesa Sanpaolo from 2023 publications with data referring to 2021 from ABI Lab (Guidelines on the Bank's application of GRI Standards on environmental issues), ISPRA (Istituto Superiore per la Protezione e la Ricerca Ambientale), UNFCCC (United Nations Framework Convention on Climate Change), IEA (International Energy Agency), AIB (Association of Issuing Bodies), EPA (United States Environmental Protection Agency), IPCC (Intergovernmental Panel on Climate Change), Eco-passenger (carried out by the UCI - International Union of Railway), ICAO (International Civil Aviation Organisation), etc. Furthermore, in line with the Parent Company, CO₂eq = CO₂*GWP + CH₄*GWP + N₂O*GWP where GWP = GWP-100years from IPCC AR6 WGI 2021".
77. Data processed at centralised level in line with the approach used by the Parent Company Intesa Sanpaolo for its own reporting. The values do not include the Hong Kong office.
78. In 2023, a calculation method based on the proportionality of the workforce with respect to the Group was used.

Other emissions (Scope 3) ⁷⁹	UM	2021	2022	2023
Business travel	tCO ₂ e	12	53	96
Paper		27	17	27
Waste		3	3	3
Office machinery		123	85	40
Internet banking ⁸⁰		N.A.	1	1
Energy vectors ⁸¹		0	111	166
Transport of valuables		0	80	93
Total		165	350	426

79. With reference to consumption outside the organisation, it should be noted that consumption related to office machinery and transport of valuables are a breakdown of the figure calculated at Group level. All other figures are calculated on the basis of the exact figure relating to the Company with the application of the appropriate conversion factors.

80. The term "internet banking" refers to emissions related to the use of internet banking as a sales platform for asset management products and was calculated for the first time in 2023 for the years 2022 and 2023.

81. Scope3 emissions generated: (a) in the natural gas supply chain, (b) in the production of the energy sources used in the electricity mix, and (c) in the distribution and transformation of electricity itself.

GHG emission intensity^{82 83}

Energy intensity outside the organisation	UM	2021	2022	2023
Emission intensity per employee (Scope 1 and 2 Market-based)	tCO ₂ e / No.	0.6	0.4	0.4
Emission intensity per collaborator/consultant (Scope 1 and 2 Market-based)		0.5	0.3	0.3
Emission intensity per sq m (Scope 1 and 2 Market-based)	kgCO ₂ e /sqm	12	9	33

82. Data processed at centralised level in line with the approach used by the Parent Company Intesa Sanpaolo for its own reporting. The values do not include the Hong Kong office.

83. The GHG emission intensity calculation takes the following gases into account: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃.

Water consumption⁸⁴

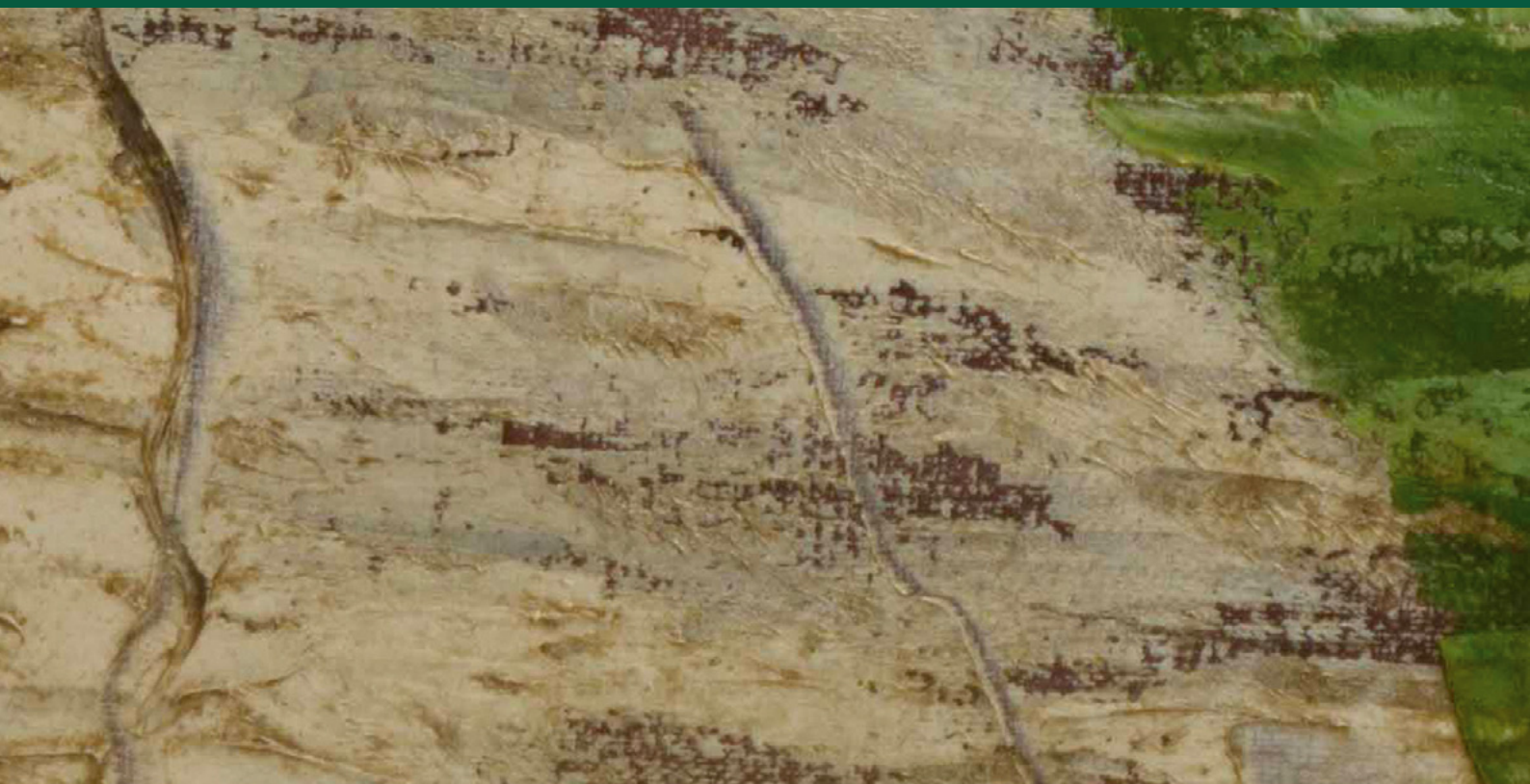
Water consumption ⁸⁵	UM ⁸⁶	2021	2022	2023
Total water consumption from all areas	thousands of m ³	13.71	14.48	17.23

84. Data processed at centralised level in line with the approach used by the Parent Company Intesa Sanpaolo for its own reporting. The values do not include the Hong Kong office.

85. The data on water consumption were calculated by the Parent Company and reflect the expenditure incurred and related to the receipt of bills, using the methodology provided by the ABI Guidelines for Environmental Reporting.

86. Unit of measurement aligned with that used by Parent Company.

Appendix



Methodological notes

This document represents the 2023 Sustainability Report through which Eurizon discloses on a voluntary basis information on environmental, social and governance issues for the reporting period. The scope relating to the information set out in the document, unless otherwise specified, coincides with that used for the reporting of financial information of the Asset Management Division consolidated on a line-by-line basis, which includes Eurizon Capital SGR S.p.A. and the Companies directly or indirectly controlled by the latter, namely: Eurizon Capital S.A., Epsilon SGR S.p.A., Eurizon Capital Asia Ltd., Eurizon Asset Management Slovakia Správ. spol. a.s., Eurizon Asset Management Hungary Zrt., Eurizon Asset Management Croatia d.o.o, Eurizon SLJ Capital Ltd., Eurizon Capital Real Asset SGR S.p.A.

The document was drafted on the basis of the “Global Reporting Initiative Sustainability Reporting Standards”, defined by the Global Reporting Initiative (GRI) and in consideration of the updates introduced by the “GRI Universal Standards 2021”, according to the “in accordance” option. More specifically, the contents of this Report were set out with the aim of ensuring the understanding of the activities carried out by the Company, its performance, its results and the impact produced by them in environmental, social and governance terms, according to the principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability, as set forth by the GRI guidelines. To this end, a materiality/relevance analysis was carried out for the year 2023, which incorporates the provisions laid down by the reference standard: the results of the materiality/relevance analysis carried out are set out in the section “Materiality/relevance analysis”, which includes the list of material issues determined in accordance with the relevant GRI standard.

The reporting process involved internal functions for the collection of data and information for the purpose of drafting this document, with the aim of ensuring the accuracy and clarity of the resulting material information to be provided to Stakeholders. As part of this process, the Parent Company was also involved with regard to the reporting aspects managed at centralised Group level, such as environmental data. For information regarding the document or its contents, please contact esg@eurizoncapital.com.

With reference to the individual indicators, any limitations or specifications with respect to the data are reported alongside them. Furthermore, contrary to the standard, it is specified that, for reporting the personnel composition, the breakdown by age group is maintained, consistently with that used previously and with that used by the Parent Company Intesa Sanpaolo in order to encourage data continuity and comparability. Finally, the emission factors for calculation of CO₂ developed are consistent with the Guidelines on the Application of the GRI Standards and the consolidation approach for emissions used coincides with that of the Parent Company (i.e. financial control).

This document is published annually and in relation to the previous year: this document is published in April 2024 and refers to 2023 as further specified in the section on the GRI Content Index. Information relating to the previous periods, where available, was included for the sole purpose of enabling an assessment of the Company's performance over a longer period of time.

In view of the fact that the Eurizon Sustainability Report is prepared on a voluntary basis, this document is not subject to external auditing or approval by the Board of Directors. The disclosure subject to mandatory reporting is set out in the Consolidated Non-Financial Statement prepared by the Parent Company Intesa Sanpaolo.

USE OF THE *SUSTAINABLE DEVELOPMENT GOALS* OR "SDGS" - SUPPORT TO LOCAL COMMUNITIES THROUGH CHARITABLE INITIATIVES

In this document, reference has been made to the Sustainable Development Goals of the United Nations 2030 Agenda (the so-called "Sustainable Development Goals" or "SDGs"), within the paragraph dedicated to "Support to local communities through charitable initiatives".

The paragraph includes a qualitative reconciliation of the level of alignment of the projects supported by Eurizon through devolutions, in relation to the SDGs on the basis of their main sustainable development objective or the objective of the specific initiatives to which the funds have been allocated: the analysis considers Entities and organisations subject to devolutions from 2017 to date.

Glossary and abbreviations

<i>Advance</i>	Collective engagement initiative promoted by UN PRI to emphasise the importance of respecting human rights, particularly in societies most exposed to such risks.
Alternative investments	A form of investment that does not fall into the categories of traditional or conventional investments such as shares, bonds or mutual funds. Examples of alternative investments include hedge funds, real estate funds, venture capital and private equity funds.
<i>Asset class</i>	Investment category (e.g. shares, bonds).
Asset Management	It represents all investment instruments and savings products through which investors entrust their money to intermediaries such as banks, asset management companies, financial promoters or insurance companies to be invested.
<i>AuM - Assets under Management</i>	Volume of capital managed by an Company.
<i>Benchmark</i>	Portfolio of financial instruments adopted as an objective benchmark for the definition of the investment policy guidelines of certain types of managed funds/sub-funds.
<i>Benefits</i>	Direct benefits provided in the form of financial content, healthcare paid for by the organisation or reimbursement of expenses incurred by employees other than benefits in kind (e.g. provision of sports facilities, canteen).
<i>Breach</i>	Violation of regulations or self-regulatory codes (compliance breach) or of data (data breach).
<i>Business Continuity</i>	Business continuity, i.e. referring to the ability to continue operating and conducting business activities even under critical conditions.
<i>Carbon footprint</i>	A measure that expresses in terms of CO ₂ equivalent the total greenhouse gas emissions associated directly or indirectly with a product, organisation or service. In accordance with the Kyoto Protocol, the greenhouse gases included are: carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs), sulphur hexafluoride (SF ₆) and perfluorocarbons (PFCs).
Circular economy	Regenerative economy model, in which economic activities do not depend on the depletion of natural resources. It is the alternative to the linear economy and involves sharing, lending, reusing, repairing, reconditioning and recycling existing materials and products for as long as possible.
<i>Clawback</i>	In the context of remuneration, a clause providing for the restitution of bonuses already paid, in the presence of negative events directly attributable to a person's conduct that have undermined the sustainability of the results
<i>Climate Action 100+</i>	Collective engagement initiative that promotes the reduction of greenhouse gas emissions in line with the Paris Agreement.
CO ₂	Carbon dioxide.
<i>Corporate Governance</i>	Corporate Governance is the set of corporate tools, rules, processes and relations aimed at the company's proper and efficient management. The corporate governance structure expresses the rules and processes by which decisions are made within a company, the ways in which objectives and the means to achieve them are decided upon, and how the results achieved are measured.
Direct (or Scope 1) emissions	Direct emissions from sources owned or controlled by the company.
Dispute	In reference to a company's conduct, it refers to involvement on ESG and ethical issues, including serious ones, such as child labour, human rights, employee relations and corruption.
<i>Due Diligence</i>	Investigation and in-depth study of a company's data and information.
<i>Extra-captive</i>	Networks or companies outside the Group, through which the commercial activities of the Company's products and services are developed.
<i>Financial Materiality</i>	A perspective of financial relevance, whereby sustainability risks and opportunities can influence the company's financial performance and results and thus create or erode the company's corporate value in the short, medium or long term, affecting its development, performance and positioning.

<i>Fund House</i>	A company that holds and markets investment funds.
GHG	Greenhouse Gases.
GJ	Gigajoule, unit of measurement of energy.
<i>Green Bonds</i>	Bond financial instruments whose issuance is linked to projects that have a positive impact on the environment, such as energy efficiency, energy production from clean sources, sustainable land use, etc.
<i>GRI - Global Reporting Initiative</i>	Independent institution whose purpose is to develop and promote globally applicable guidelines for drawing up social and environmental reports. Adherence to the guidelines is voluntary and supports organisations (companies, associations, etc.) in disclosing their social, environmental and economic commitment.
<i>High Net Worth Individual (HNWI)</i>	Individuals with investible assets of 1 million USD or more, excluding principal residence, collectibles, consumer goods and durables.
HFC	Hydrofluorocarbons (refrigerant gases).
Incoming <i>turnover</i> rate	Total number of new hires compared to the total number of employees at the end of the previous year.
Indirect (or <i>Scope 2</i>) emissions	Indirect emissions generated by the energy purchased and consumed by the company.
Indirect (or <i>Scope 3</i>) emissions	Indirect emissions (not included in <i>Scope 2</i>) generated in the value chain, i.e. in upstream and downstream activities.
<i>Impact Materiality</i>	Relevance of current or potential impacts, on people and the environment, directly related to an organisation's activities, products and services.
<i>Info-provider</i>	Entity providing information and data collected (e.g. on issuers in a portfolio).
<i>Just Transition</i>	European mechanism designed to ensure that the transition to a climate-neutral economy takes place in a fair manner while mitigating the resulting socio-economic impacts.
kgCO ₂ e	Kilograms of CO ₂ equivalent. KID
KID	Key Information Document, a document forming part of the offering documents, which the subscriber receives at the time of subscription and which summarises key information on the mutual fund in question.
kWh	Kilowatt-hour, amount of electricity consumed in one hour.
<i>Limited Tracking Error (LTE)</i>	Products with limited standard deviation from the benchmark.
m ³	Cubic metre.
<i>Malus condition</i>	In the context of the remuneration policies, mechanisms to reduce units of shares accrued and subject to deferral to zero
<i>Nature Action 100</i>	Collective engagement initiative encouraging institutional investors to adopt best practices to combat biodiversity loss and deforestation.
<i>Net Zero</i>	Reducing greenhouse gas emissions as close to zero as possible by reabsorbing the remaining emissions from the atmosphere, oceans and forests.
<i>Net Zero Asset Manager Initiative</i>	An international initiative consisting of the leading Asset Managers committed to supporting the goal of net zero greenhouse gas emissions by 2050, in line with efforts to limit global warming to 1.5°C, and to support investments in line with this goal.
No.	Number.
n.s.	Not significant.
Onlus	An acronym for Organizzazione Non Lucrativa di Utilità Sociale (Non-Profit Organisation of Social Utility), it is a private entity that carries out its activities for social solidarity and non-profit purposes.
Outgoing <i>turnover</i> rate	Total number of terminations compared to the total number of employees at the end of the previous year.
Paris Climate Agreement	International treaty signed in 2015 by more than 190 countries and subsequently revised in 2021, which aims to contain the global average temperature increase below the 2°C threshold, with a maximum target set at 1.5°C.

<i>Product Governance</i>	Product Governance, also referred to as “POG”, represents the set of processes of conception, identification of target customers for new products, selection of third-party distributors, post-sales monitoring, including the periodic review of products throughout their life cycle.
Prospectus	A document prepared by the Company or the investment companies with variable capital (Sicav) that contains useful information for understanding the characteristics of the different investment funds offered, identifying those most suitable for building a portfolio based on one's needs in terms of risk/return, and making comparisons between several funds.
Rate of return to work	Total number of employees who returned to work following parental leave compared to those who should have returned.
Regulation	With reference to investment products, a document that supplements the information included in the Prospectus and contains the set of rules that define how a fund operates, the tasks of the various parties involved and govern relations with subscribers.
<i>Retention rate</i>	Total number of employees remaining with the company in the 12 months following their return after parental leave compared to the total number of employees returning after parental leave in the previous period.
<i>Screening</i>	Analysis process involving the assessment of the investment against pre-defined criteria.
sq m	Square metre.
<i>SRI - Socially Responsible Investment</i>	SRI or “Socially Responsible Investment” is an investment philosophy that integrates environmental, social and governance (ESG) criteria into the research, analysis and selection of corporate securities.
Sustainable investment	In accordance with the SFDR Regulation (Article 2 paragraph 17): an economic activity which, in compliance with good governance practices contributes to an environmental or social objective without causing any significant harm.
TCO ₂ e	Tonnes of CO ₂ equivalent.
The Italian <i>Stewardship</i> Principles	The Italian <i>Stewardship</i> Principles were adopted in order to provide a set of best practices capable of promoting discussion and cooperation among management companies and the listed issuers in which they invest the assets they manage in the context of collective management or portfolio management services.
Traditional governance model	System of administration and control of joint-stock companies most widely used among Italian companies. It generally entails the presence of a Governing Body (Sole Director or BoD) and a Supervisory Body (Board of Statutory Auditors).
UCIs	Undertakings for Collective Investment, the name given to open and closed-end mutual funds and investment companies with variable capital.
UM	Unit of measurement.
<i>Unit linked</i>	Insurance contracts whose benefits are directly linked to the value of units of UCIs or financial indices.
<i>Whistleblowing</i>	Spontaneous and anonymous reporting of an illegal activity or a dangerous situation by a Stakeholder, committed within the company.
<i>Wrapper</i>	With reference to financial products, products that invest in other financial products (e.g. funds of funds that invest in units of other funds).

GRI Content Index

Declaration of use	Eurizon Capital SGR S.p.A. reported the information mentioned in this GRI content index for the period 1/01/2023 - 31/12/2023.
Used GRI 1	GRI 1 - Fundamental Principles - Version 2021
Relevant GRI sector standards	N/A - awaiting the publication of the specific industry standard

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION (OMITTED REQUIREMENTS, REASON FOR OMISSION, EXPLANATION)
General disclosures			
GRI 2 - 2021 General disclosures	2-1 Organisational details	Introduction - Page 5 Structure of the Asset Management Division - Page 13	
	2-2 Entities included in the organisation's sustainability reporting	Methodological note - Page 106	
	2-3 Reporting period, frequency and point of contact	Methodological note - Page 106	
	2-4 Review of information	Methodological note - Page 106	
	2-5 External assurance	Methodological note - Page 107	
	2-6 Activities, value chain and other business relationships	Excellence in products and services – Pages 22-23 Environmental commitment in our activities – Page 89	
	2-7 Employees	Tables of indicators - Page 93 Eurizon does not provide the contractual form “employees with non-guaranteed hours”	
	2-8 Non-employees	Tables of indicators - Page 93	
	2-9 Governance structure and composition	Governance - Pages 15-19	
	2-10 Appointment and selection of the highest governing body	Governance - Pages 17-18	
	2-11 Chairman of the highest governing body	Governance - Page 18	
	2-12 Role of the highest governing body in impact management control	Sustainability Governance – Pages 32-35	
	2-13 Delegation of responsibilities for impact management	Sustainability Governance – Pages 32-35	
	2-14 Role of the highest governing body in sustainability reporting	Sustainability Governance – Page 33 Methodological Note - Pages 106-107	
	2-15 Conflicts of interest	Governance - Page 19	
	2-16 Disclosure of critical issues	Ethics and integrity in the conduct of business – Pages 85-86	
	2-17 Collective knowledge of the highest governing body	Governance - Pages 15-17	
	2-18 Performance assessment of the highest governing body	Governance - Page 18	
	2-19 Remuneration rules	Governance - Pages 19-21 In line with the Group's Remuneration Policy, welcome bonuses may be provided upon hiring, following a careful assessment and analysis of market practices and, if discretionary pension benefits are introduced, they will be allocated to the beneficiaries in compliance with the regulations in force, according to which they are akin to variable remuneration.	
	2-20 Remuneration calculation procedure	Governance - Pages 19-21	
	2-21 Total annual remuneration ratio	Tables of indicators - Page 97	
	2-22 Sustainable development strategy statement	Letter from the Chairman and Chief Executive Officer – Pages 6-7	
	2-23 Commitment in terms of policies	Our commitment over time – Page 30 The various policy commitments are specified in the discussion of the individual material topics.	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION (OMITTED REQUIREMENTS, REASON FOR OMISSION, EXPLANATION)
GRI 2 - 2021 General disclosures	2-24 Integration of impacts in terms of policies	The approach to sustainability - Page 31	
	2-25 Processes to remedy negative impacts	Governance - Pages 15-21 Sustainability Governance – Pages 32-35 Integration of ESG criteria - Pages 57, 60 The approach to sustainability - Page 31 Ethics and integrity in the conduct of business – Pages 85-86 The processes used are specified from time to time in the discussion of the individual material topics.	
	2-26 Mechanisms to request clarifications and raise concerns	Ethics and integrity in the conduct of business – Pages 85-86	
	2-27 Compliance with laws and regulations	Ethics and integrity in the conduct of business – Page 85 The product range and sustainability-conscious solutions - Page 51	
	2-28 Membership in associations	ESG initiatives and partnerships – Pages 36-38	
	2-29 Approach to Stakeholder engagement	Materiality/ Relevance analysis - Pages 39-40	
	2-30 Collective agreements	Tables of indicators - Page 97	
Material issues			
GRI 3 - 2021 Material issues	3-1 Process for the determination of material issues	Materiality/Relevance Analysis - Page 39	
	3-2 List of material issues	Materiality/Relevance Analysis - Pages 41-42	
Management and minimisation of direct impacts on the environment			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Environmental commitment in our activities – Page 88	
GRI 302 - Energy 2016	302-1 Energy consumed within the organisation	Tables of indicators - Page 101	
	302-2 Energy consumed outside the organisation	Tables of indicators - Page 101	
	302-3 Energy intensity	Tables of indicators - Page 102	
GRI 303 - 2018 Water and wastewater	303-5 Water consumption	Tables of indicators - Page 103 In view of the location of the operating sites and the activities performed, water consumption from water-stressed areas and changes in water storage are not considered significant.	
GRI 305 - 2016 Emissions	305-1 Direct GHG emissions (Scope 1)	Tables of indicators - Page 102	
	305-2 Indirect GHG emissions from energy consumption (Scope 2)	Tables of indicators - Page 102	
	305-4 GHG emission intensity	Tables of indicators - Page 103	
Service quality and customer satisfaction			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Commitment to customers and the community – Page 80 The product range and sustainability-conscious solutions - Page 51	
Digital innovation and technological development			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Our commitment to IT security and technology development – Page 87	
Privacy and data security			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Our commitment to IT security and technology development – Page 87	
GRI 418 - 2018 Customer privacy	418-1 Substantiated complaints concerning breaches of customer privacy and loss of customer data	Tables of indicators - Page 101	
Focus on people and respect for human rights			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Our People - Pages 76-78	
GRI 401 - 2016 Employment	401-1 New hires and turnover	Tables of indicators - Pages 94-95	
	401-2 Benefits provided for full-time employees, but not for part-time or fixed-term employees	Our People - Page 77 Tables of indicators - Page 97 The benefits made available by the Company are provided to all employees, including part-time and fixed-term employees.	
	401-3 Parental leave	Tables of indicators - Page 98	
GRI 403 - 2018 Health and safety at work	403-5 Occupational health and safety training for workers	Our People - Page 77 Tables of indicators - Page 99	
	403-9 Accidents at work	Tables of indicators - Page 99 The accidents that occurred during 2023 were slips and falls in the workplace, all of which were minor.	
GRI 404 - 2016 Training and education	404-1 Average annual training hours per employee	Tables of indicators - Pages 98-99	
GRI 406 - 2016 Non-discrimination	406-1 Incidents of discrimination and corrective measures taken	Tables of indicators - Page 100	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION (OMITTED REQUIREMENTS, REASON FOR OMISSION, EXPLANATION)
Inclusion and diversity			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Our People - Pages 78-79	
GRI 405 - 2016 Diversity and equal opportunities	405-1 Diversity in governing bodies and among employees	Tables of indicators - Page 96	
	405-2 Basic salary and remuneration ratio of women compared to men	Tables of indicators - Page 97	
Financial education			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Commitment to customers and the community – Pages 80-81	
Support to local communities			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Commitment to customers and the community – Pages 81-83	
Marketing and transparent disclosure			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Commitment to transparency – Pages 44-47	
GRI 417 - 2016 Marketing and Labelling	417-2 Incidents of non-compliance with product and service information and labelling	The product range and sustainability-conscious solutions - Page 51	
	417-3 Cases of non-compliance concerning marketing communications	The product range and sustainability-conscious solutions - Page 51	
Ethics and integrity			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Ethics and integrity in the conduct of business – Pages 85-86	
GRI 205 - 2016 Anti-Corruption	205-2 Disclosures and training on anti-corruption policies and procedures	Tables of indicators - Page 100 In compliance with the Regulation implementing the Group's anti-corruption guidelines, in relations with third parties, the relevant contract requires the third party's commitment to complying with the applicable anti-corruption regulations and the principles set out in the Guidelines and/or the Regulation. This ensures the communication of anti-corruption policies and procedures to all business partners.	
	205-3 Ascertained incidents of corruption and actions taken	Ethics and integrity in the conduct of business – Page 85	
GRI 206 - 2016 Anti-Competitive behaviour	206-1 Legal actions for anti-competitive behaviour, antitrust and monopolistic practices	Tables of indicators - Page 100	
Robust, transparent and strongly involved governance on Sustainability issues			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Sustainability Governance – Pages 32-35	
Participation in international initiatives as evidence and in support of the Company's commitment to ESG issues			
GRI 3 - 2021 Material issues	3-3 Management of material issues	ESG initiatives and partnerships – Pages 36-38	
Engagement and active ownership			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Active ownership - Pages 67-68 Exercise of participation and voting rights -Pages 68-71 Engagement activities – Pages 72-73	
Integration of sustainability criteria into investments			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Integration of ESG criteria - Pages 54-55 Sustainability policy - Pages 56-62	
Sustainability-conscious investment products and solutions			
GRI 3 - 2021 Material issues	3-3 Management of material issues	The product range and sustainability-conscious solutions - Pages 48-51	
Decarbonisation of portfolios			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Commitment to climate and the environment – Pages 63-67	
Responsible supply chain management			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Environmental commitment in our activities – Page 89	
GRI 305 - Emissions	305-3 Other indirect GHG emissions (Scope 3)	Tables of indicators - Page 103	
Long-term business value creation			
GRI 3 - 2021 Material issues	3-3 Management of material issues	Value creation and asset stability – Pages 26-27	
GRI 201 - 2016 Economic Performance	201-1 Economic value directly generated and distributed	Value creation and asset stability – Page 27 Tables of indicators - Page 92	

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"Panta Rhei, the aphorism attributed to Heraclitus, captures my artistic ethos - that everything flows and changes, nothing stands still and that all things are in a state of flux - perfectly".

Alfredo Pini was born in Mirandola in 1958. Despite graduating with a diploma from vocational business school, in 1985, he devoted himself entirely to his true passion in life: painting. He moved to Ferrara, where he opened the *Lacerba* art gallery, visited the studios of various artists and enrolled in a number of painting courses. This led him to connect with a number of prominent contemporary artists, including Primo Conti, Bruno Cassinari, Mario Schifano, Bruno Ceccobelli, Concetto Pozzati and Omar Galliani.

In 1987, he began exhibiting work and enrolled in the DAMS (Drama, Art and Music Studies) degree programme at the University of Bologna, whose teachers included Renato Barilli, Umberto Eco and Alfredo De Paz.

Through his work as a painter, he established increasingly close collaborative ties with various galleries in cities in Italy, Spain and the United States, where he continues to present his works in solo and group exhibitions today.

Pini is a figurative artist whose style is characterised by rapid and expressive brush-strokes that capture the movement and vitality of the subjects he depicts.

Cover:



Alfredo Pini
(Mirandola, 1958)
Landscape, 20th century
oil on canvas, 49 x 68 cm

While this piece from the Intesa Sanpaolo collection retains the artist's signature pulsating energy, it shows him adopting a slower and more reflective approach. Featuring stunning mountains with patches of snow in the background and a light blue sky populated with white clouds, which - much like the cerulean blue vein-like stream coursing down the mountainside - provides a subtle hint that spring is imminent, this landscape painting depicts a natural setting that, while imposing, is not oppressive.

Enlivened by small touches of colour provided by the cloths hung out to dry in the open air and the bell tower of the small church flanked by soaring green conifers, the small village in the middle of the composition is painted with heart-felt affection. Here, a quiet rural community reliant on hard work and household tasks lives and breathes.

A lone figure, portrayed from behind, ascends a white path cutting through the middle of a grassy expanse caressed by the wind and sun.

In this painting, there is a sense of a memory evoking a simple, tranquil and almost meditative life created by brushstrokes that, in contrast to the excitable and synthetic ones of the artist's best-known works, are vibrant yet robust. The "flux" captured in this work is not that synonymous with the hectic, breakneck pace of the modern cities that Alfredo Pini often depicts on his canvases, but rather a slow and natural one that conveys the passing of the seasons and our ancient relationship with planet Earth.



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