



**PRINCIPAL ADVERSE SUSTAINABILITY IMPACTS
STATEMENT OF EURIZON CAPITAL SGR S.p.A.
AND ITS SUBSIDIARIES
(Annex)**

June 2023

QUANTIFICATION OF ADVERSE IMPACT INDICATORS TAKEN INTO ACCOUNT BY ASSETS UNDER MANAGEMENT - EURIZON ASSET MANAGEMENT SLOVAKIA

The following is a summary, referring to 2022, of the Environmental, Social and Governance Indicators considered by Eurizon Asset Management Slovakia, pursuant to current legislation, for the measurement of the negative effects caused by investments made on behalf of the assets under management:

Indicators applicable to investments in investee companies						
Adverse sustainability indicator	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period by the Asset Management Division	
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	88.688 (tons of CO2 equivalent ¹)	N/A	This indicator represents the most recently communicated or estimated Scope 1 greenhouse gas emissions of participated issuers. These emissions come from sources owned or controlled by companies.	<p>Actions adopted:</p> <p>"Net Zero Asset Manager Initiative" (NZAMI): Eurizon Capital SGR adheres to the initiative that aims, in line with the commitments of countries that have signed the Paris Agreement, to achieve neutrality in net greenhouse gas emissions by 2050. Eurizon published its objectives, in line with its commitments. For more information, please refer to the website eurizoncapital.com.</p> <p>Exclusions²: Eurizon does not invest in issuers that derives at least the (i) 25% of all revenues from extractive activities and the production of electricity connected to thermal coal, (ii) 10% of turnover from oil & gas mining by using oil sands and (iii) are characterised by particularly high environmental problems.</p> <p>Carbon footprint: Eurizon integrates the carbon footprint measurement of issuers for the purpose of building portfolios with lower footprint than their investment universe.</p> <p>Impact Investing: Eurizon, limited to some products, in the Due Diligence³ phase of the instruments considers, among other things, the share of its consumption and production of non-renewable energy.</p>
		Scope 2 GHG emissions	15.096 (tons of CO2 equivalent)	N/A	This indicator represents the most recently communicated or estimated scope 2 greenhouse gas emissions of participated issuers. Such emissions are caused by the generation of electricity purchased by companies.	
		Scope 3 GHG emissions	554.204 (tons of CO2 equivalent)	N/A	This indicator represents the estimated scope 3 greenhouse gas emissions of participated issuers. These are indirect emissions arising from the activities of a company that originate from sources not owned or controlled by it.	
		Total GHG emissions	657.989 (tonnes CO2 equivalent)	N/A	This indicator represents the total greenhouse gas emissions of scope 1, 2 and 3 of the participated issuers.	
	2. Carbon Footprint	Carbon Footprint	451 (tons of CO2 equivalent per million euro invested)	N/A	This indicator represents the latest aggregated greenhouse gas emissions of investee issuers, based on scope 1 and 2 emissions reported or estimated and estimated scope 3 emissions expressed in million euro invested.	
	3. GHG intensity of companies receiving investments	GHG intensity of investee companies	899 (tonnes/million euro of turnover)	N/A	This indicator represents the aggregated greenhouse gas emissions of the participated issuers (scope 1 and 2 and estimated 3) compared to	

¹ Metric used to compare emissions of various greenhouse gases on the basis of their global warming potential (GWP), converting quantities of other gases into the equivalent amount of carbon dioxide (CO2).

² For *Limited Tracking Error* products and index tracking products (except those that explicitly integrate ESG factors) the maximum direct investment allowed is equal to the issuer's weight in the benchmark.

³ The *due diligence* process is aligned with the *Green Bond Principles* (GBP), the *Social Bond Principles* (SBP) and the *Sustainability Bond Guidelines* (SBG), as defined by the *International Capital Market Association* (ICMA) and the *EU Green Bond Standard* (GBS), respectively.

Indicators applicable to investments in investee companies					
Adverse sustainability indicator	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period by the Asset Management Division
				their most recent turnover in millions of euros.	Stewardship Engagement: Eurizon promotes dialogue with less developed issuers in terms of climate protection and operating in less environmentally friendly sectors. Issuers with exposure to thermal coal and oil sands sectors below exclusion thresholds are subject to specific engagement processes that may result in restrictions and/or exclusions to the Investment Universe of managed assets. These activities are designed to ensure that no new projects are developed, as well as to verify the gradual <i>phase out</i> of these activities.
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	5,5% (percentage of investee issuers exposed to fossil fuel-related activities)	N/A	This indicator represents exposure of issuers to fossil fuel related activities, including the extraction, processing, storage and transportation of petroleum, natural gas and coal.
	5. Share of consumption and production of non renewable energy	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	71,2% (percentage of the investee issuers' energy consumption and/or production from non-renewable sources)	N/A	This indicator represents the percentage of the energy consumption and/or production of the issuers from non renewable sources as a percentage of the total use and/or production of energy.
	6. Energy intensity by sector with high climate impact	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	1,69 (Gigawatt hour/million turnover in euros)	N/A	This indicator represents energy consumption in GWh per million EUR of revenue from participated issuers by sector with a high climate impact, understood as an economic activity code (i.e. based on the European Economic Activity Nomenclature - NACE).
Biodiversity	7. Activities that adversely affect biodiversity sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0,06% (percentage of investee issuers operating in biodiversity-sensitive areas)	N/A	This indicator represents the percentage of participated issuers that operate in or near biodiversity sensitive areas and have been involved in disputes with a serious or very serious negative impact on the environment. Actions adopted: Stewardship Engagement: Eurizon promotes dialogue with less developed issuers in terms of climate protection and operating in less environmentally friendly sectors. As part of this effort, Eurizon supports efforts to mitigate biodiversity loss and fight deforestation. Active Ownership Eurizon is committed to voting, in line with its intention to tackle deforestation and reduce biodiversity loss. Objectives set for the following period: Eurizon is committed to continuing to develop its Sustainability and Engagement Policies, with the aim of assessing the consistency of the methodologies adopted with respect to developments in the <i>best practises</i> developed nationally and internationally.

Indicators applicable to investments in investee companies						
Adverse sustainability indicator	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period by the Asset Management Division	
Water	8. Water emissions	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	20,9 (Tons per million euro invested)	N/A	This indicator represents the sum of the tons of water emissions generated by the investee companies weighted by the value of their investment, expressed per million euro invested.	<p>Actions adopted:</p> <p>Stewardship</p> <p><i>Engagement:</i> Eurizon promotes dialogue with less developed issuers in terms of climate protection and operating in less environmentally friendly sectors. As part of this effort, Eurizon supports efforts to mitigate biodiversity loss and fight deforestation.</p> <p><i>Active Ownership:</i> Eurizon is committed to voting, in line with its intention to tackle deforestation and reduce biodiversity loss.</p> <p>Objectives set for the following period:</p> <p>Eurizon is committed to continuing to develop its Sustainability and Engagement Policies, with the aim of assessing the consistency of the methodologies adopted with respect to developments in the <i>best practises</i> developed nationally and internationally.</p>
Waste	9. Relation between hazardous waste and radioactive waste	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	5,3 (tons per million euro invested)	N/A	This indicator represents the sum of tonnes of hazardous waste generated by the companies affiliated for million euro invested in it, expressed per million euro invested.	<p>Objectives set for the following period:</p> <p>Eurizon is committed to continuing to develop its Sustainability and Engagement Policies, with the aim of assessing the consistency of the methodologies adopted with respect to developments in the <i>best practises</i> developed nationally and internationally.</p>
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Indicators on social issues and staff issues	10. Violations of the United Nations Global Compact principles and the Organisation for Cooperation and Development (OECD) guidelines for multinational companies	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0,4% (percentage of investments in investee companies that were involved in violations)	N/A	This indicator represents the portion of investments in investee companies involved in violations of the UNGC principles for the OECD Guidelines for Multinational Companies.	<p>Actions adopted:</p> <p>Exclusion⁴: Eurizon does not invest in issuers that are characterised by (i) a clear direct involvement in the manufacture of unconventional weapons and/or (ii) particularly high social issues.</p> <p>Stewardship</p> <p>Eurizon promotes a constructive approach to the companies in which it invests and is aware of the importance of the dialogue on governance practices.</p>

⁴ For *Limited Tracking Error* products and index tracking products (except those that explicitly integrate ESG factors) the maximum direct investment allowed is equal to the issuer's weight in the benchmark.

Indicators applicable to investments in investee companies						
Adverse sustainability indicator	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period by the Asset Management Division	
11. Lack of procedures and compliance mechanisms to monitor compliance with the United Nations Global Compact principles and OECD guidelines for multinational companies	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	15,7% (percentage in investee companies without policies to monitor compliance with UNGC principles or OECD Guidelines)	N/A	The indicator represents the share of investments in companies without a policy of monitoring compliance with the UNGC principles or the OECD Guidelines for multinational companies or complaint management mechanisms to address violations of the UNGC principles or the OECD Guidelines for multinational companies.	For such reasons, Eurizon promotes the implementation of (i) <i>engagement</i> processes with issuers with higher ESG risk exposure and the (ii) of exclusions or restrictions for issuers with particularly high problems in governance; (iii) the adoption of good <i>governance</i> practises by the investee companies, verifying that there is no dispute regarding the <i>Global Compact</i> 's Principles on Freedom of Association (No. 3), Anti Corruption (No. 10) and Discrimination as regards employment and employment (No. 6); (iv) engagement with affiliate companies, taking into account market best practices. Eurizon promotes dialogue with its investee companies, encouraging the development of policies and practises aimed at the effective management of its human capital, favouring, among other things, remuneration and gender equity at all levels. These aspects are also reflected in the process of exercising voting rights.	
	12. Incorrect gender pay gap	Average unadjusted gender pay gap of investee companies	13,6% (average gender pay gap in companies receiving investments)	N/A	The indicator represents the unadjusted average gender pay gap of the investee companies.	Objectives set for the following period:
	13. Gender diversity in advice	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	34,6% (average ratio of female board members to all board members)	N/A	This indicator represents the average relationship between women's and men's board of directors in their subsidiaries, expressed as a percentage of all board members.	Eurizon is committed to continuing to develop its Sustainability and Engagement Policies, with the aim of assessing the consistency of the methodologies adopted with respect to developments in the <i>best practises</i> developed nationally and internationally.
	14. Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0,15% (percentage of participating issuers involved in the production or sale of controversial weapons)	N/A	This indicator represents the portion of investments in investee companies involved in the production or sale of controversial weapons.	Actions adopted: Exclusion⁶: Eurizon does not invest in issuers that are characterised by (I) a clear direct involvement in the manufacture of unconventional weapons (anti personnel mines; cluster bombs; nuclear weapons; depleted uranium; biological weapons; chemical weapons; invisible fragmentation weapons; blinding lasers; incendiary weapons; white phosphorus) and/or (II) particularly high social issues. Stewardship The Company reserves the right to initiate dialogue with issuers with the aim of deepening compliance with international treaties and national regulations. Based on the information acquired, Eurizon assesses the opportunity to activate further escalation processes. Objectives set for the following period: Eurizon is committed to continuing to develop its Sustainability Policies,

⁵ These exposures are due to investment in (i) third-party Funds and/or (ii) Limited Tracking Error products for which the maximum permitted direct investment is equal to the issuer's weight in the benchmark.

⁶ For *Limited Tracking Error* products and index tracking products (except those that explicitly integrate ESG factors) the maximum direct investment allowed is equal to the issuer's weight in the benchmark.

Indicators applicable to investments in investee companies						
Adverse sustainability indicator		Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period by the Asset Management Division
						with the aim of assessing the consistency of the methodologies adopted with respect to developments in the <i>best practises</i> developed nationally and internationally. In this context, Eurizon assesses the adoption of new strategies for negative and/or positive issuer selection.

Indicators applicable to investments in sovereigns and supnationals						
Adverse sustainability indicator		Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period by the Asset Management Division
Environmental	15. GHG Intensity	GHG intensity of investee countries	391 (tonnes of carbon dioxide 'CO2' equivalent per million euro of Gross Domestic Product ('GDP'))	N/A	The indicator represents the Greenhouse Gas Intensity of the participated countries.	Actions adopted: Sovereign integration: Eurizon, limited to some products, uses processes for selecting governmental issuers that use the indicators provided both by the cd. <i>sustainable Development Report</i> to monitor the main adverse impacts on government issuers.
Social	16. Countries benefiting from investments that are subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	9 (number of participating countries subject to social violations) 0,2% (percentuale di Paesi partecipati soggetti a violazioni sociali)	N/A	The indicator represents the number of participated countries subject to social violations (absolute number and relative number divided by all participated countries), as indicated in international treaties and conventions, United Nations principles and, where applicable, national legislation.	Objectives set for the following period: Eurizon is committed to continuing to develop its Sustainability Policies, with the aim of assessing the consistency of the methodologies adopted with respect to developments in the <i>best practises</i> developed nationally and internationally. In this context, Eurizon assesses the adoption of new strategies for negative and/or positive issuer selection. Finally, Eurizon has set up a Working Group aimed at extending the proprietary score, called " <i>Eurizon ESG Score</i> ", to government/supranational financial instruments.

Indicators applicable to investments in real estate assets						
Adverse sustainability indicator		Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period by the Asset Management Division
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Portion of investments in real estate assets involved in the extraction, storage, transportation and production of fossil fuels	Not applicable	N/A	N/A	Not applicable, considering the type of assets managed by Eurizon.
Energy efficiency	18. Energy efficient real estate exposure	Portion of energy efficient real estate investments	Not applicable	N/A	N/A	

Additional climate and other environment-related indicators					
Adverse sustainability indicator	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period by the Asset Management Division
Indicators applicable to investments in investee companies					
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Issues	2. Air pollutant emissions	Tonnes of air pollutants equivalent per million EUR invested, expressed as a weighted average	0.7 (tons of air pollutants equivalent per million EUR invested)	N/A	<p>This ratio represents the sum of the tons of air pollutants equivalent of the companies involved, weighted by the value of their investments, expressed per million euro invested.</p> <p>Actions adopted: "Net Zero Asset Manager Initiative" (NZAMI): Eurizon Capital SGR adheres to the initiative that aims, in line with the commitments of states that have signed the Paris Agreement, to achieve neutrality in net greenhouse gas emissions by 2050. 2022 Eurizon published its objectives, in line with its commitments. For more information, please refer to the website eurizoncapital.com. Exclusions 7 : Eurizon does not invest in issuers that derives at least the (i) 25% of all revenues from extractive activities and the production of electricity connected to thermal coal, (ii) 10% of turnover from oil & gas mining by using oil sands and (iii) are characterised by particularly high environmental problems. Objectives set for the following period: Eurizon undertakes to revise the objectives linked to the NZAMI initiative at least every five years, in order to progressively achieve coverage of 100% of assets under management, consistent with the methodological developments available from time to time. Eurizon is committed to continuing to develop its Sustainability and Engagement Policies, with the aim of assessing the consistency of the methodologies adopted with respect to developments in the <i>best practises</i> developed nationally and internationally. In this context, Eurizon assesses the adoption of new strategies for negative and/or positive issuer selection and the review of processes to compare them with companies exercising voting rights.</p>
Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters					
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
Indicators on social issues and staff issues	2. Accident rate	Rate of accidents in investee companies expressed as a weighted average	4.07% (accident rate in investee companies)	N/A	<p>This ratio represents the rate of accidents in investee companies, weighted by the value of investments in such companies.</p> <p>Actions adopted: Stewardship Engagement: Eurizon promotes dialogue with the least developed issuers in terms of climate protection and operating in less environmentally friendly sectors. As part of this effort, Eurizon supports efforts to mitigate</p>

⁷ For *Limited Tracking Error* products and index tracking products (except those that explicitly integrate ESG factors) the maximum direct investment allowed is equal to the issuer's weight in the benchmark.

						biodiversity loss and fight deforestation.
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Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS

Indicators on social issues and staff issues	2. Accident rate	Rate of accidents in investee companies expressed as a weighted average	2,51% (accident rate in investee companies)	N/A	This ratio represents the rate of accidents in investee companies, weighted by the value of investments in such companies.	Actions adopted: Stewardship <u>Engagement:</u> Eurizon promotes dialogue with the least developed issuers in terms of climate protection and operating in less environmentally friendly sectors. As part of this effort, Eurizon supports efforts to mitigate biodiversity loss and fight deforestation.
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