



EURIZON CAPITAL S.A. STEWARDSHIP REPORT

First semester 2024

Report on engagement activities and the exercise of voting rights inherent to the financial instruments pertaining to the managed assets of Eurizon Capital S.A.



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Introduction

This report describes the Stewardship activity carried out by Eurizon Capital S.A. (hereinafter also “Eurizon” or the “Company”) during the first semester 2024.

Eurizon takes part, on behalf of managed assets, in the Shareholder meetings of selected companies with shares listed on international markets, according to the procedures for implementing the “Independence Protocol” (drafted following Assogestioni, the Italian Asset Managers Association, guidelines) adopted by the Company for the management of conflicts of interest and in compliance with its “*Strategy for the exercise of participation and voting rights inherent to the financial instruments pertaining to the managed assets*” (hereinafter also “Strategy”).

The Company periodically updates the internal regulations aimed at integrating environmental, social and good corporate governance factors (so called “Environmental, Social and Governance” factors or “ESG” factors) and responsible investment principles (so called “Sustainable and Responsible Investments” or SRI) into its Investment Process and makes the above documentation, and any updates thereof, available on its website www.eurizoncapital.com.



The Company has a fiduciary duty to create and protect value for its Clients and Investors, which requires to effectively address issues related to the companies in which assets are invested on behalf of the managed portfolios.



About us



Our values

“

Being part of Eurizon means sharing strong values: **Passion, Responsibility, Integrity, Sustainability, Excellence.**

We are proud to belong to a Company whose **primary objective is the safeguarding and growth of its customers' assets**, thus helping inspire greater trust in a more sustainable future.

”

Passion

We act by seeking the conditions that generate enthusiasm, so everyone gives the best of themselves with energy and commitment. We work **professionally and bravely** face daily challenges.

Responsibility

We are aware of the **centrality of savings** in the lives of those who trust us. We take responsibility for the effects of our actions, making a commitment that goes beyond normal attention and diligence.

Integrity

We operate with **loyalty and fairness** in all our professional relationships. We remain faithful to our values and promises feeling we are accountable for the trust of those who count on us.

Sustainability

We assess the impact of our actions and decisions over the medium/long term, bringing our choices into line with the **principles of social responsibility**. We seek **diversity** within ourselves and integrate it to generate **inclusive growth**.

Excellence

We pursue **quality of results and continuous improvement**. We nurture our knowledge and talent by experimenting to generate innovation.



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.



Vision

We are committed to spreading a culture that promotes the **value of people, their aspirations, and savings at large**:

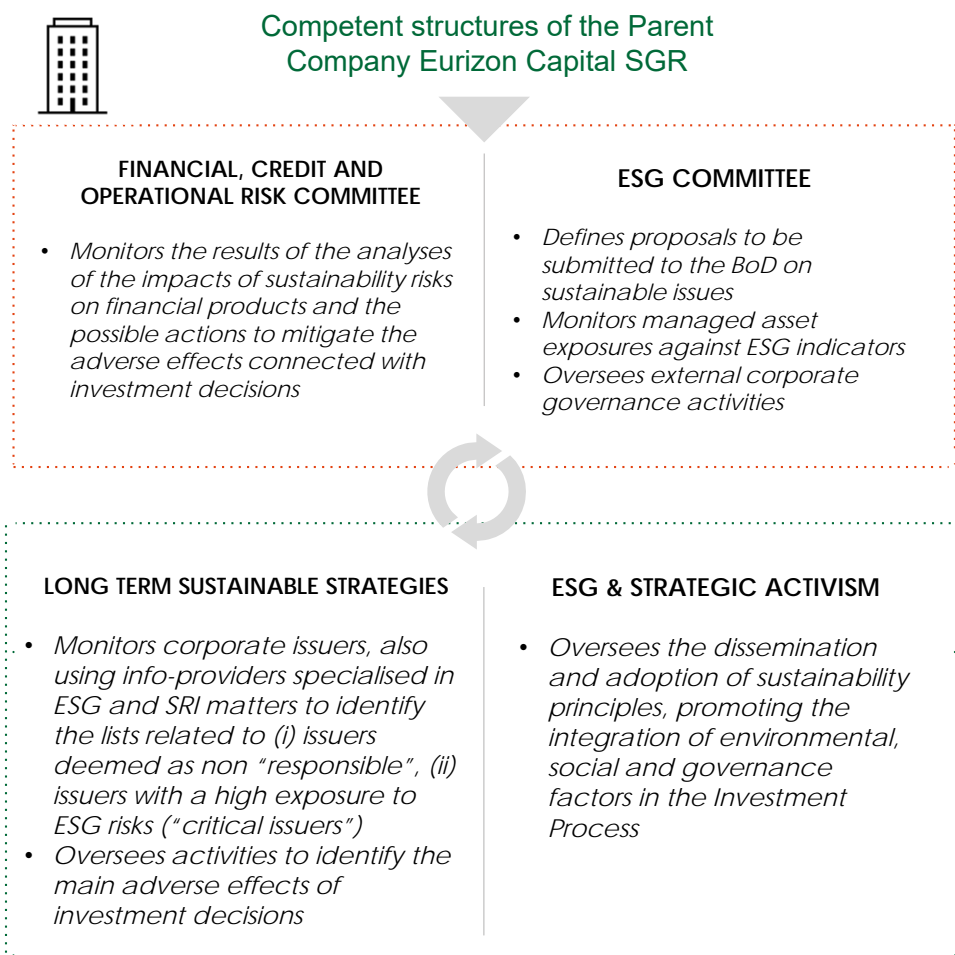
a financial humanism based on respect, accountability and awareness of one's own qualities.



Purpose

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

The governance of sustainability



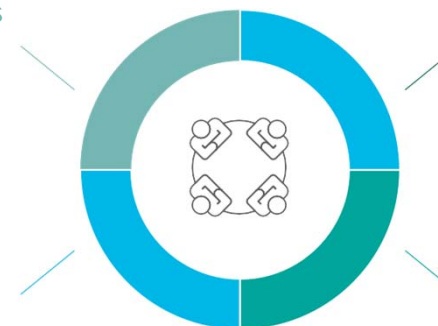
Competent structures Eurizon Capital S.A.

Formulates, assisted by the Head of Investments, **proposals for the Board of Directors** on the methods for selecting and monitoring financial instruments and identifies the main adverse effects of investment decisions.

Conducting Officers

Monitors the compliance of processes with respect to the Sustainability Policy.

Compliance & AML



Investment Department

Monitors issuers considered not "responsible" and "critical". Oversees the identification and prioritization of the main adverse effects of investment on sustainability factors.

Risk Management

Monitors the sustainability risk of managed products.

The governance of sustainability

The ESG & Strategic Activism team

Eurizon has adopted an operating model involving corporate bodies and structures to which specific roles and responsibilities are assigned for the monitoring and management of sustainability risks.

In particular, within the Parent Company Eurizon Capital SGR, the **ESG & Strategic Activism team oversees the dissemination and adoption of investment sustainability principles, the stewardship activity and has specific expertise in Corporate Governance and Sustainability.**



Corporate Governance

Is responsible for (i) monitoring the management of shareholders' meetings in relation to the exercise of voting rights for the holdings of the Company's assets under management, and (ii) engaging with issuers on environmental, social and corporate governance issues, working and discussing as necessary with the *Sustainability Unit* and colleagues in the *Investment Department*.



Sustainability

Is responsible for the Company's strategy on sustainability and SRI investments, supporting senior management in the integration of environmental, social and governance factors into the investment process.



The voting process

Eurizon Capital S.A. takes part in shareholder meetings of issuers with shares listed on Borsa Italiana and on International markets, evaluating the opportunity of its participation in the interest of the managed assets and in consideration of the possibility to impact on companies' decisions in relation to the voting rights of the shares held.

Eurizon endorses (i) the "Stewardship Code" promoted by the European Fund and Asset Management Association (EFAMA) in order to encourage, at a European level, the development of good corporate governance practices and (ii) the "Italian Stewardship Principles" for the exercise of administrative and voting rights in listed companies and the related Best Practice Recommendation defined by Assogestioni.

In compliance with the regulation in force, Eurizon has adopted specific organizational and/or procedural measures aimed at safeguarding the independence and autonomy in exercising voting rights concerning the managed assets as provided in the '*Strategy to exercise participation and voting rights inherent to the financial instruments pertaining to the managed assets of Eurizon Capital S.A.*' available on the Company's website www.eurizoncapital.com.

In its Strategy, Eurizon has integrated the guidelines for defining voting instructions at shareholders' meetings, in line with corporate governance codes as well as with the national and international best practices.

The Company has a differentiated approach according to the practices of the issuers' reference markets and finalized at safeguarding the interest of the managed assets.



The voting process

Eurizon monitors shareholders meetings and, following quantitative and qualitative criteria, identifies:

1. Companies where **significant share capital are held**, as identified from time to time within the internal procedures
2. Shareholders' meetings deemed relevant in the interest of the assets managed in order to (i) **stigmatize situations of particular interest** in defence or in support of the interests of minority shareholders or (ii) **support decisions relating to environmental, social or good corporate governance practices**
3. Shareholders' meetings whose agenda includes election of members of the board of directors or boards of statutory auditors through the **slate voting** mechanism, representing minority shareholders
4. Shareholders' meeting approving **extraordinary transactions** where such participation is needed to support or challenge the proposed transaction, in the interests of the managed portfolios.

Relevant General Meetings

894*

Analyzing the resolutions on the agenda and definition of the voting instructions according to the proposals' alignment with the voting guidelines.
 In the case of non-disclosed items, the definition of voting proposals is based on (i) in-depth analysis of public documents, (ii) research by the proxy advisor, (iii) information provided by reference managers and (iv) the results of any engagement activities

The voting instructions diverging the policy or for items not covered by the guidelines are submitted to the Conducting Officers



Exercise of voting rights delegate third-party specialized Companies, if necessary

Other General Meetings

2,075

Voting instructions are defined in accordance with specific guidelines approved by the Board of Directors on the proposal of the Management Committee, which takes into account the recommendations of the ESG Committee of Eurizon Capital SGR



Votes are cast on the electronic platform provided by the Proxy Advisor

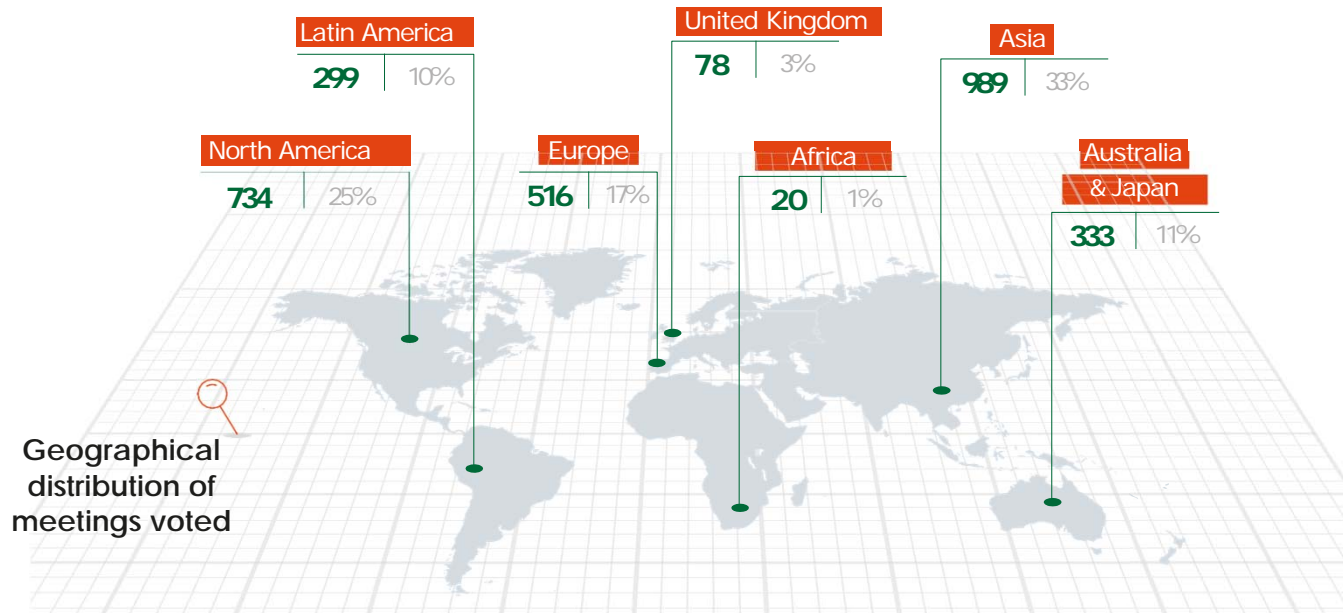
2,969
Voting completed

*In detail, the breakdown of the events according to the identified criteria: n. 34 meetings falling within criteria 1; n. 708 meetings falling within criteria 2; n. 38 meetings falling within criteria 3; n. 114 meetings falling within criteria 4

The voting process

First Semester 2024

- Through the exercise of voting rights, Eurizon actively participates in the life of companies in which it invests, by guiding their behavior and objectives.
- During the first semester of 2024, the Company participated at 2,969 shareholder meetings, 3% of which of companies listed on the Italian Stock Exchange and 97% listed abroad.
- The Company voted 35,797 resolutions, 34,320 of which were management proposal and 1,477 shareholder proposals.



2,969
General meetings voted

35,797
Agenda proposals voted

94%
Voted meetings out of total votable meetings

91%
Environment and Social shareholder proposals supported*

44%
Shareholder proposals voted against Proxy Advisor recommendations

18%
Proposals voted against Management recommendations

Shareholder proposals allow investors to interact with the investee companies, submitting to the management issues deemed relevant in order to protect the interests of shareholders.

Eurizon's support to such proposals, increasingly referred to environmental, social and governance issues, aims at establishing a dialogue with companies to encourage their sustainable growth.

* The data does not include "anti-E&S" proposals, i.e., shareholder proposals that would deter the introduction and implementation of sustainability principles. For details of the shareholders meetings voted, please refer to the Proxy Voting Dashboard and the document "Participation at General Meetings", available for consultation on www.eurizoncapital.com

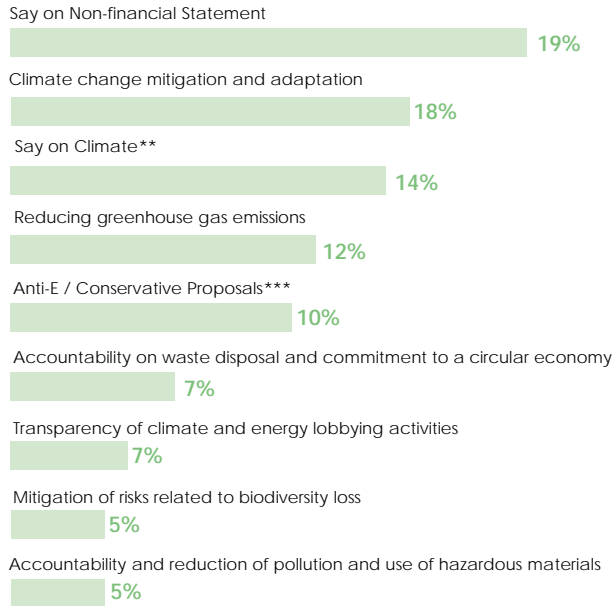
The voting process

Proposals voted in the first semester 2024



Environment

197 environmental-related proposals, contributing to the success* of 32% of them



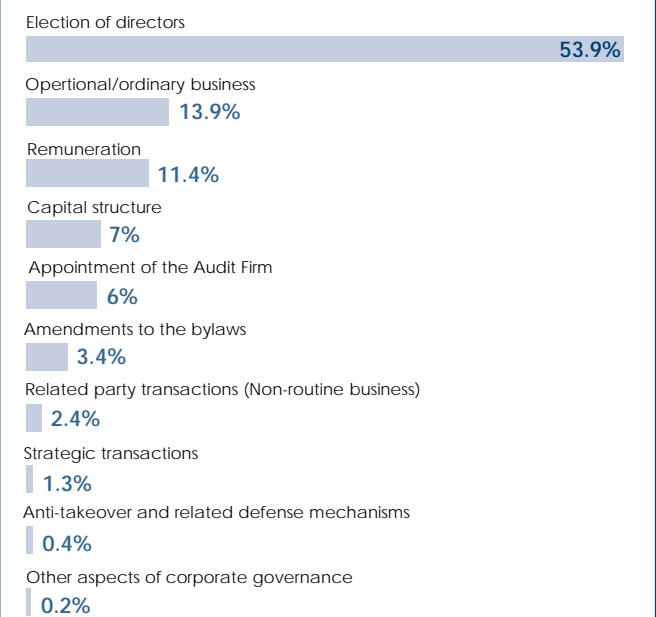

Social

326 social-related proposal, contributing to the success* of 32% of them




Governance

35,274 governance-related proposals, contributing to the success* of 67% of them



**Success* is defined as the combination of a vote for/against with outcome meeting expectations (For&Pass; OneYear&Pass; Against&Fail; Abstain&Fail). *Failure* is defined as the occurrence of a discrepancy between vote and outcome(Against&Pass; Withold&Pass; For&Fail). Excluded from the classification are situations where data is missing (Against&N/A; Abstain&N/A) or the proposal was not put to a vote (No Vote&Pass; Against/For&Withdrawn).

** This figure includes Say on Climate resolutions submitted by management and shareholder resolutions requesting that transition plans be put to a vote.

*** Proposals made by groups that support environmental and social policies that are markedly conservative or openly critical of climate neutrality goals.

Climate Change

Focus on key proposals voted

Climate change mitigation and reduction of greenhouse gas emissions



- **Supported 59 proposals** calling for the **adoption of emission reduction targets** in line with the Paris Agreement and greater transparency on **measures taken to mitigate climate change** (in one case the overall percentage of support went over 40%).

Energy and climate lobbying activities



- **Voted in favor of all proposals (10)** that required issuers to disclose whether and how their **lobbying activities** were in line with stated climate change commitments and goals or Paris Agreement objectives (average support rate was 22%).

Say on Climate



- **Voted 18 transition plans**, 22% of which were submitted by companies belonging to the Oil & Gas sector. In 55% of the cases, the vote against was due to the lack of robustness and credibility of the plan and to inadequate investments that were not in line with the stated Net Zero goals.
- **For the first time, a transition plan was rejected by shareholders with almost 60% voting against it**, including Eurizon voting against it in line with what has been done in the past.
- **Supported all proposals (9) that required companies to put the transition strategy to a vote** (average support was about 20 percent). Eurizon hopes that more companies operating in the most polluting sectors will present their climate transition plans at the meeting to allow shareholders to weigh in with feedback where issues are highlighted that require urgent changes in strategy.

Say on Non-financial Statement



- **Voted 38 Non-Financial Statements supporting 82% of them**; negative votes were cast when sustainability reports did not meet international standards of transparency or when the issuer did not have sufficiently ambitious targets consistent with stated commitments.
- It is interesting to note that although *Say on Climate* submissions are still few in number, the need for shareholder approval of the non-financial statement* seems to incentivize companies to seek certification of their decarbonization goals by third-party entities, such as SBTi.

Anti-E / conservative proposals**



- **Rejected all proposals (20)** that required companies to limit spending and investments aimed at mitigating climate change.
- Despite the large number of anti-E(SG) proposals submitted, the average support was 1.6%.

* In Switzerland, for example, listed companies with at least 500 employees and total assets of more than CHF 20 million or sales of more than CHF 40 million in the last two financial years will be required to seek shareholder approval for the non-financial report from 2024, with reference to the financial year 2023. The Spanish legislator implemented EU Directive 2014/95 by Law 11/2018, which requires listed companies with at least 500 employees during the financial year to attach a consolidated management report to their consolidated financial statements. This consolidated management report must include the non-financial information required by law and must be presented at the Annual General Meeting.

** Proposals made by groups that support environmental and social policies that are markedly conservative or openly critical of climate neutrality goals.



Climate Change

Analysis of a “Say on Climate” proposal of the Oil&Gas sector

Eurizon has developed a framework to cast a **consistent vote on transition plans**, regardless of the companies' sector. The framework combines the main evaluation criteria with additional evidence or considerations.

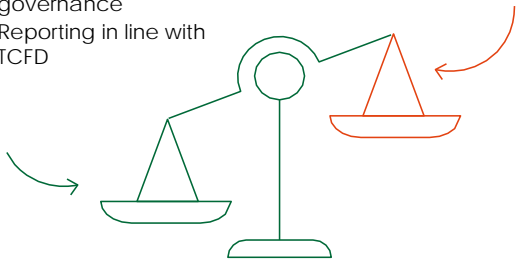
- In 2022, Eurizon voted negatively for the first time on the ‘Say on Climate’ proposal of the Oil&Gas (O&G) target company; however, the proposal had passed with 51% votes in favour.
- In 2024, Eurizon confirmed its negative opinion due to the several deficiencies in the transition plan, this time the Say on Climate proposal did not pass, receiving 58.4% votes against.

Key evaluation criteria

- Net zero ambition by 2050
- GHG Emission reduction targets
- Decarbonisation Strategy
- Capital allocation
- Engagement policy
- Corporate governance
- Reporting in line with TCFD

Additional evaluation criteria

- ESG controversies
- CDP Questionnaire
- SBTi target validation
- TPI Carbon Performance
- Eurizon Net Zero Alignment Framework
- Engagement Outcome
- Proxy Advisor Analysis



Key evaluation criteria	Overall assessment of the indicator
Net Zero Ambition by 2050	Partial
Long-term GHG reduction targets (2036-2050)	Partial
Medium-term GHG reduction targets (2026-2035)	Partial
Short-term GHG reduction targets (up to 2025)	Partial
Decarbonisation strategy	Negative
Alignment of capital allocation (capex) with 1.5°C scenario	Partial
Engagement policy in line with decarbonisation targets	Partial
Good corporate governance practices	Partial
Adherence to Just Transition principles to minimize social impacts of the company's decarbonisation efforts and presence of a plan to monitor progress towards a just transition	Partial
Reporting on decarbonisation strategy in line with TCFD recommendations	Positive
Assessment Outcome	The plan has significant deficiencies

Additional evaluation criteria	Overall assessment of the indicator
ESG controversies	The company is involved in moderate to severe ESG controversies
Answers to the CDP questionnaire (Climate, Forests, Water Security)	The company did not answer any of the three CDP questionnaires
TPI Carbon Performance (and SBTi target if present)	Short-term alignment in 2025: National pledges Medium-term alignment in 2035: Not aligned Long-term alignment in 2040-50: Not aligned
Eurizon Net Zero Alignment Framework	Committed to Aligning
Evaluation Outcome	Not in line with industry expectations
Voting Instruction	AGAINST

Biodiversity

Focus on key proposals voted

Mitigation of risks related to biodiversity loss



Voted in favour of all proposals (9) aimed at assessing the risks, impacts and dependencies of the company and its supply chain in relation to biodiversity loss and natural capital degradation, including:

- A request for a **mining issuer** to conduct an independent review to assess the environmental impact of the use of water resources required for its operations. According to the *U.S. Geological Survey (USGS)* and the *World Resource Institute's Aqueduct tool*, 16% of the world's mines are located in areas of high-water stress, and without proper management of mining activities, limited freshwater reserves could be further compromised.
- A request to two **automotive companies** for a moratorium on the use of deep-sea mined minerals in their production and supply chains. Deep sea mining for key raw materials used in the production of batteries for electric vehicles can have destructive and irreversible impacts on marine ecosystems and biodiversity, with potential implications for food security, carbon, metal and nutrient cycles in the oceans.

Circular Economy



Supported all proposals (14) calling for:

- Greater transparency on the **financial implications of reducing the demand for single-use plastics** and increasing the use of recycled plastics, in order to mitigate the risks associated with the potential loss of virgin polymer production facilities required by regulation and the abandonment of single-use plastics by consumers; the proposals were addressed to three oil companies and two chemical company.
- More information on **actions to reduce the use of plastics and promote a circular economy for packaging production**. One of the proposals supported called for a bank to report on activity related to loans granted to support the transition to a circular economy.
- The adoption of an **Extended Producer Responsibility policy** by a major player in the tobacco industry, as a major source of plastic pollution due to filters (made of non-biodegradable single-use plastic) that remain in the environment in the form of microplastics.

Pollution and hazardous materials



Support all proposals (6) relating to:

- Improving the **disclosure on the use of pesticides and assessing the risks** associated with their use in agricultural supply chains. Pesticides have multiple negative environmental and social impacts on biodiversity, climate resilience, water quality, health and safety of farm workers and local communities.
- Adherence to the World Health Organization's guidelines on the **use of antibiotics in supply chains**; specifically, the requirement to understand the potential adverse effects of products and ingredients/chemicals used in a company's production processes.
- Greater transparency on the impacts and **risks associated with electromagnetic radiation and wireless technologies**, and the use of lead-sheathed cables

Human Rights and social issues

Focus on key proposals voted

Political Contributions and Donations



- **Voted 135 proposals**, covering company procedures and policies governing **direct and indirect lobbying**, the consistency of political spending with the company's stated values, and the **processes for approving and determining the amounts to be allocated by the company for donations and charitable expenditure** (overall average support was 59%).

Diversity and Inclusion



Voted in favour of the proposals (47) that required the production of a report that could be used to assess:

- The **effectiveness of the company's diversity and inclusion policies**;
- The management of any **gender/ethnicity pay gaps**;
- Policies to **prevent harassment and discrimination** in the workplace (overall average support was 28%).

Health and Safety



- **Support for the proposals (24)** to commission independent audits to **certify the effectiveness of workplace safety measures and practices** (overall average support was 12%).

Human and Labour Rights Just Transition



- **Voted in favour of all proposals (42)** to **assess risks related to the lack of respect for human rights** or to improve human rights standards and policies. A proposal addressed to a company operating in the air transport and logistics sector calling for greater transparency in the management of human and labour rights risks was adopted with over 90% of votes in favour.
- **Voted in favor of all proposals (4)** asking companies to report on social impact of the closure of their plants or the implementation of their energy transition strategy. The concept of **'just transition'** seeks to maximize the benefits of the transition to a sustainable, regenerative and non-polluting global economy while minimizing the social challenges.
- Supported the request for a report on the fairness of obtaining **Free, Prior and Informed Consent (FPIC) from local indigenous communities**.

Supply Chain



- **Voted in favour of all proposals (9)** calling for greater transparency on **sustainable supply chain management**, particularly for companies operating in high-risk geographical areas due to a lack of protection and respect for human rights; in particular, some proposals concerned the implementation of programmes aimed at eliminating the exploitation of child labour in the supply chain (overall average support was 7%).

Artificial Intelligence



- **Supported all proposals (8)** aimed at **assessing risks from AI-led misinformation** through (i) increasing investment in content regulation, (ii) analyzing the possible impact of AI on human rights, and (iii) establishing principles for ethical development of the technology.
- The use of AI also emerged among the indicators used in the selection of required skills during an activist campaign (proxy fight) aimed at management turnover.

Governance

Focus on key proposals voted

Election of strategic Supervisory Bodies



- **Votes cast on 19,002 proposals for the re-election of directors**, with 61% of votes cast in favour. Votes against were cast in 19% of cases, mainly due to a lack of (i) independence, (ii) diversity, (iii) oversight and/or implementation of the climate strategy:
- **Lack of independence led to 1514 votes against the re-election of directors;**
- **Lack of diversity on the Board led to a vote against the Chairman of the Nomination Committee 369 times.** In 62% of cases, these companies were based in the United States. Analysis of progress since 2023 showed that: (i) around 26% of companies have increased diversity on the board, (ii) 50% of companies have not improved diversity on the board; in these cases, we voted against the chair of the nomination committee for the second year in a row*.

Remuneration Policies



- **4,034 proposals** were voted on, including **2,899 Say on Pay proposals**, of which Eurizon voted against in 14% of cases due to a lack of (i) comprehensive information, (ii) consistency with the Pay for Performance principle and (iii) ESG indicators in the short and long-term incentive plans.

Appointment of the Audit Firm



- **Voted on 1,865 proposals for the appointment of external audit firms, supporting 96%** of the resolutions. Eurizon voted against 56 proposals due to the lack of transparency or the excessive duration of the audit firm's mandate (more than 20 years).
- **Support for 78 proposals** on the appointment of audit firms specialising in the certification of non-financial information in accordance with the CSRD regulation**.

Other Aspects of Corporate Governance



- **Voted on 86 resolutions on governance structure**, supporting all proposals calling for (i) the inclusion of ESG performance indicators in directors' remuneration, (ii) the creation of a sustainability committee and (iii) directors with ESG expertise.

*In some cases, voting was not possible because the agenda did not include the re-election of the Chairman of the Nomination Committee, because the Annual General Meeting did not take place during the period under review or because Eurizon did not hold any voting shares.

** The Corporate Sustainability Reporting Directive - CSRD amends Directive 2013/34/EU (on non-financial disclosure requirements for large companies) with the aim of improving sustainability reporting by aligning it with traditional financial reporting and acknowledging the inherent link.









Governance

Assessing directors' accountability for climate strategy

Eurizon «Directors' Accountability Framework to Climate Change»

- In the first half of 2024, **528 'target' companies of the Directors' Accountability Framework** were monitored: 405 companies had a sufficiently ambitious climate strategy and therefore voted in favour; **123 companies showed deficiencies in the implementation of the decarbonisation strategy** and therefore Eurizon voted against 382 directors.

Voting instructions driven by the implementation of the decarbonisation strategy	N. Companies
Vote in favor of the members of the Board of Directors	405
Vote against the re-election of the incumbent Chairman of the Sustainability Committee due to shortcomings in the implementation of the decarbonization strategy	65
Vote against the re-election of incumbent members of the Sustainability Committee due to severe deficiencies in the implementation of the decarbonization strategy	30
Vote against the re-election of the incumbent members of the Sustainability Committee and the Chairman of the Board of Directors due to very severe deficiencies in the implementation of the decarbonization strategy	14
Vote against the re-election of board members (including CEO) due to material failures in the implementation of the decarbonization strategy	14

Sector of «target» Companies	N. Companies
 Industrials	140
 Materials	112
 Consumer staples and discretionary	89
 Oil & Gas	67
 Utilities	67
 Services	53

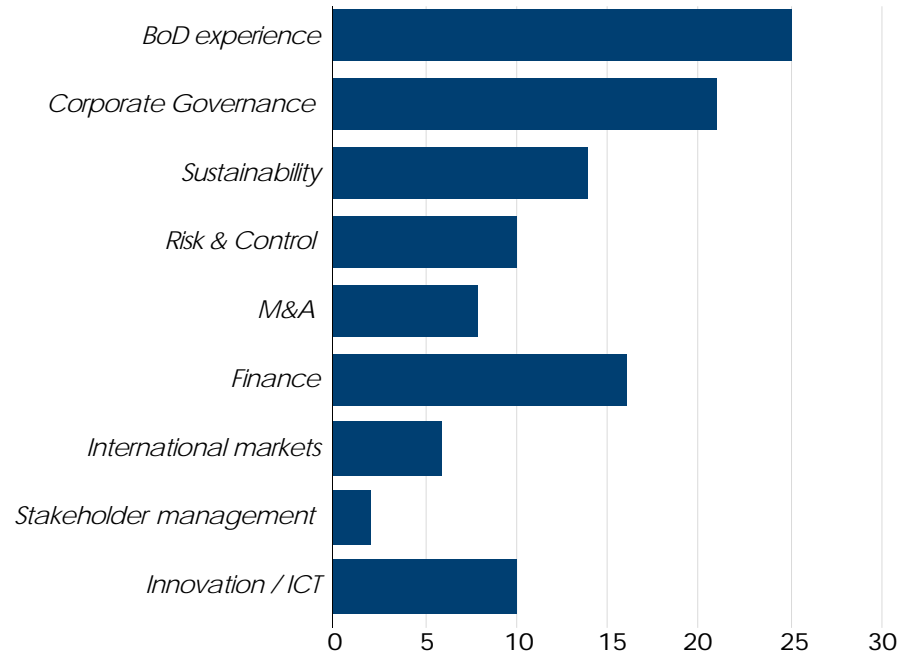
- Eurizon voted **against the entire board of 10 companies for lack of climate change oversight.**
- Eurizon voted against the re-election of directors at **33 companies** because they were involved in **serious climate and social controversies.**
- For **34 companies**, Eurizon voted against the directors as a result of the **continuation of significant critical issues in the decarbonisation strategy**, in line with what was done in 2023.

Governance

Assessing directors' accountability for climate strategy

- Eurizon contributes to the election of Statutory Auditors and/or Board Members of the issuers listed on the Italian Stock Exchange through the slate voting mechanism (so called '*Voto di lista*'), representing minority shareholders and in coordination with Assogestioni.
- When appointing candidates to be included on the minority slates on behalf of institutional investors, the Company complies 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 Company has adopted the Independence Protocol for the management of conflicts of interest prepared by Assogestioni, with the aim of safeguarding the independence of its decision-making.
- The process of selecting candidates to form minority lists follows a criterion of diversification, not only in terms of gender, but also in terms of skills, to ensure that those elected can actively contribute to the work of the strategic supervisory bodies.

Breakdown of expertise of candidates elected in the first half of 2024



Source: Internal processing of data gathered during the drafting of minority lists in the Assogestioni Managers' Committee.

* Eurizon also supported the list of three other issuers presented by institutional investors at the AGM.

** Eurizon contributed to the election of 39 directors with 16 female representatives; 29 effective statutory auditors with 10 female representatives; 26 alternate auditors with 17 female representatives.



'Voto di lista' numbers

37

issuers for which at least one slate of candidates has been presented*

39

Directors elected

46%

Female representation among elected candidates**

42%

Female representation among elected directors






The voting process

Against or Abstain votes

In the exercise of voting rights, Eurizon applies its 'Strategy' to ensure that votes are cast transparently and in the interests of the managed asset. For this reason, the Company has defined the principles and the conduct to follow in evaluating most recurrent proposals on the agenda at shareholders' meetings.

During the first half of 2024, **Eurizon supported 91% of the shareholder resolutions concerning environmental and social issues***. However, the Company considered appropriate to cast an Against or Abstain vote in all those situations in which the proposals presented by the shareholders were, respectively, backed by a rationale not aligned with the principles supported by Eurizon or not sufficiently detailed.

The table shows a set of proposals and the rationale that led the Company to vote against or abstain at the meeting.

Shareholder Proposals	Vote	Voting Rationale
A request for an assessment of the negative economic impact on the bank of divestment from the oil sector and energy transition, and a quantification of the potential impact of these decisions on shareholders.	 AGAINST	The request is an obstacle to the company's achievement of its net-zero targets by 2050.
Request to revise the Board's remuneration policy to emphasize fiduciary objectives and to remove the objective of producing electric vehicles and/or reducing CO2 emissions from the indicators that define incentives.	 AGAINST	Eurizon believes that companies exposed to high levels of environmental, social, or corporate governance (ESG) risks should set relevant and clearly measurable goals that focus management's attention and efforts on mitigating these risks.
Calls for analysis of how company policies may discriminate against or alienate employees based on their religious and political views, and the risk such policies pose to companies' business. Proponents criticize companies' positions on social issues such as abortion and gender-based care.	 AGAINST	The request is contrary to Eurizon's principles of valuing diversity and inclusion.
Publish a report that (i) provides evidence of censorship requests received by the company from governments and their agencies in order to limit the risk of disinformation, and (ii) sets out the company's policy on the matter.	 ABSTAIN	The wording of the proposal could jeopardize the company's reputation and require information that could be considered sensitive national security information. Eurizon considered the information available to be insufficient to vote for or against.
Proposing a binding amendment to the company's Articles of Association to set the remuneration of non-executive directors at \$1 per annum and to remove the power of the Board to set their remuneration.	 ABSTAIN	The company cannot implement the proposal because it would result in a breach of state law and contractual obligations under the directors' remuneration programmes. As drafted, it is unclear whether the proposal would actually protect shareholders' interests. Eurizon did not have sufficient information to vote for or against the proposal.

* The data does not include "anti-E&S" proposals, i.e., shareholder proposals that would deter the introduction and implementation of sustainability principles.

Asset Management Division - Participation in national and international initiatives

Since 2021, Eurizon has progressively **specialised its stewardship activities** around four priority themes, participating in the main national and international initiatives in these areas:



Climate Change

<p>2021</p> <p>The Net Zero Asset Managers initiative</p> <p><i>Net Zero Asset initiative signatory</i></p>	<p>2021</p> <p>IIGCC</p> <p><i>Institutional Investors Managers Group on Climate change member</i></p>
<p>2023</p> <p>Climate Action 100+ and Net Zero Engagement Initiative member</p>	

Eurizon participates in the following working groups :

- *PRI Listed Equity*
- *PRI Circular Economy Reference*
- *IIGCC Bondholder Stewardship*
- *IIGCC Sovereign Bonds and Country Pathways*
- *Engagement*, promoted by Forum per la Finanza Sostenibile



Biodiversity

2023

Nature Action 100

Joined Nature Action 100 initiative to counter biodiversity loss and deforestation

Eurizon participates in the following working groups :

- *Biodiversity*, promoted by Forum per la Finanza Sostenibile



Human Rights

2023

advance

Joined Advance to incentivize better practices of human and labor rights

Eurizon participates in the following working groups :

- *Renewable Energy Sector Group*, promoted by Advance



Governance

ASSOGESTIONI

Eurizon attends the Corporate Governance Committee and Managers' Committee promoted by Assogestioni

Eurizon participates in the following working groups :

- *IIGCC Proxy Advisor Engagement*
- *IIGCC Index Investing*

Since 2004, membership in national and international initiatives has helped the **development of Eurizon's Stewardship practices**



2004

Signatory of CDP, an independent nonprofit organization for environmental impact assessment and management



2014

Adoption of the Stewardship Principles



2015

Adoption of the UN-sponsored Principles of Responsible Investment



2016

International Corporate Governance Network (ICGN) member



2021

Ordinary member of the Italian Forum for Sustainable Finance





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