



EURIZON STEWARDSHIP REPORT

2024

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

Committed
to making a difference

Contents

Introduction	4
The Company	5
About us	5
Our commitment to Stewardship	6
The governance of sustainability	7
Participation in national and international initiatives	9
Stewardship activity in 2024 - Snapshot in numbers	10
The exercise of voting rights	11
Climate Change	16
Biodiversity	18
Human rights and social issues	19
Governance	20
Insight: Against or Abstain votes	23
Engagement activity	24
Case studies on Climate Change and Biodiversity	27
Case studies on Human Rights and Governance	29
The escalation process	31
A practical case of escalation with an Oil & Gas company	32
Stewardship activity and the UN Sustainable Development Goals (SDGs)	33

Introduction

- This report describes the Stewardship activity carried out by Eurizon Capital SGR S.p.A. (hereinafter also “Eurizon” or the “Company”) during 2024 in particular with regard to:
 - The **exercise of voting rights** at general meetings, in accordance with the procedures adopted by the Company for managing conflicts of interest pursuant to the “Protocol of Autonomy” and in compliance with its “Strategy for the exercise participation and voting rights inherent to the financial instruments pertaining to the managed assets” (the “Strategy”), in which the “Guidelines for the definition of voting instructions” are detailed in support of the formalisation of voting instructions at general meetings and are defined taking into account market best practices;
 - **Engagement activity** as described in the “Engagement Policy” of Eurizon Capital SGR S.p.A.
- **Eurizon has a fiduciary duty to protect and create value for its Clients and Investors.** It pays attention to the “corporate governance” of investee issuers and evaluates how they address environmental and social matters that are material for their business.
- In this context, **Eurizon’s mission emphasizes the importance of engaging with its portfolio companies in order to promote conduct oriented towards sustainable growth in the long term.** Through its Stewardship activities, Eurizon promotes transparency over time and the achievement of high corporate governance standards in the companies it invests in and contributes to fostering trust in capital markets.

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.



Stewardship aims to promote high governance standards and all those practices geared towards the responsible management of resources in the interests of the assets managed.

Stewardship activities are carried out through the exercise of voting rights and engagement with investee companies



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 to safeguard and grow its Clients' assets**, thus helping to inspire **greater trust in a more sustainable future.**

Excellence

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

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.**

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.

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.

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.



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

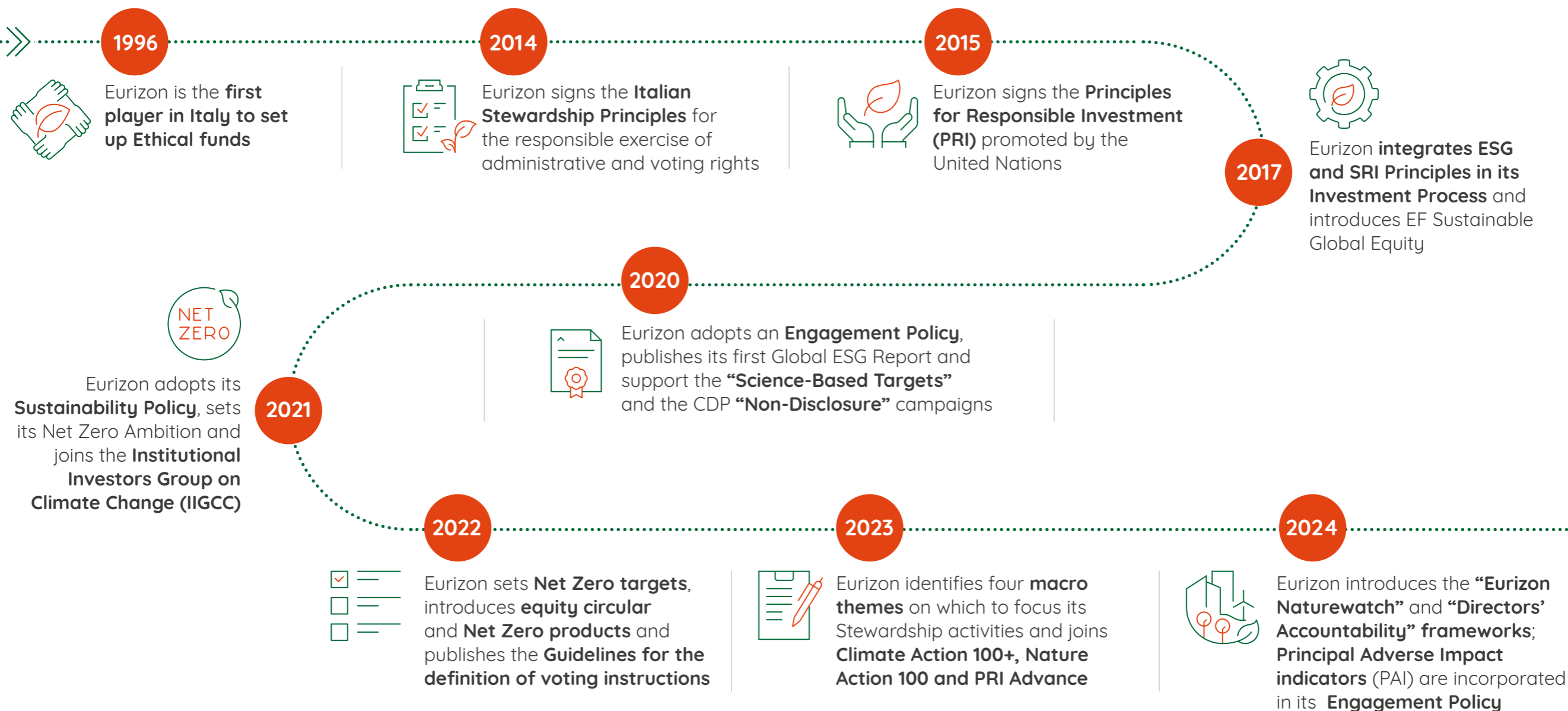
We are committed to spreading a culture that promotes the **value of people, their aspirations, and savings at large:** a financial humanism approach based on respect, accountability and awareness of one's own qualities.



Wealth Management Divisions' Purpose

Together to build the future. Because every story matters.

Our commitment to Stewardship



The governance of sustainability



Board of Directors



SUSTAINABILITY COMMITTEE

- Collaborates with the Board to ensure management decisions are In line with ethical Principles
- Independent and autonomous in relation to the Company, it is made up of individuals of recognised integrity and morality

ESG COMMITTEE

- Defines and submits to the Board proposals on sustainability issues
- Monitors asset exposure against identified ESG indicators
- Oversees external corporate governance activities

DEVOLUTIONS COMMITTEE

Oversees the devolutions and charitable activities for funds, including those belonging to the Ethical system



INVESTMENT SUPERVISION COMMITTEE

Collaborates, with advisory, assessment and proposal duties, in relation to the supervision of the Investment Process for managed products

FINANCIAL, CREDIT AND OPERATIONAL RISK COMMITTEE

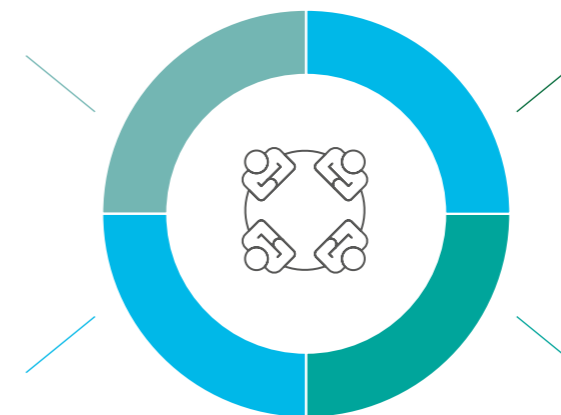
Monitors the findings of analyses of the impacts of sustainability risks on financial products and the possible actions to mitigate the adverse impacts connected with investment decisions

Formulates, with the support of the ESG Committee, **proposals for the Board of Directors** relating to the methods for selecting and monitoring financial instruments and identifies the main adverse impacts of investment decisions on sustainability factors

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

CEO

ESG & Strategic Activism



Investment Division

Monitors non-“responsible” and “critical” issuers together with the other structures involved and oversees the identification and prioritization of the **main adverse impacts of investment choices on sustainability factors**

Compliance e Risk Management

Compliance & AML

Monitors compliance with the Sustainability Policy.

Risk Management

Monitors the sustainability risk of managed products

The governance of sustainability

The ESG & Strategic Activism team

Eurizon’s operational model involves corporate bodies and structures to which specific roles and responsibilities are assigned for the monitoring and management of sustainability risks.

Within the Investment Division, the ESG & Strategic Activism team is responsible for promoting and integrating sustainability principles, oversees the Stewardship activity and has specific expertise in Corporate Governance and Sustainability.



Corporate Governance

Unit responsible for (i) the monitoring and management of general meetings in relation to the exercise of voting rights attaching to shares held by the assets managed by the Company, (ii) engagement with issuers on environmental, social and governance issues, collaborating and liaising, where necessary, with the Sustainability unit and portfolio managers in the Investments Division.














Sustainability

Unit responsible for overseeing Sustainability and SRI Investment issues, providing support to senior management in incorporating environmental, social and governance factors in the Company’s Investment Process.



Participation in national and international initiatives

Since 2021, Eurizon has progressively **focused its Stewardship activities** on four priority topics, joining the most relevant national and international initiatives in these fields:

 <h2>Climate Change</h2> <p>2021  Member of the Net Zero Asset Managers Initiative*</p> <p>2021  Member of the Institutional Investors Group on Climate change</p> <p>2023 Member of Climate Action 100+ and the Net Zero Engagement Initiative  </p> <p>Eurizon is also part of the following working groups:</p> <ul style="list-style-type: none"> • <i>PRI Listed Equity</i> • <i>PRI Circular Economy Reference</i> • <i>IIGCC Bondholder Stewardship</i> • <i>IIGCC Sovereign Bonds and Country Pathways Engagement</i>, promoted by the <i>Forum per la Finanza Sostenibile</i> 	 <h2>Biodiversity</h2> <p>2023  Member of Nature Action 100 to address biodiversity loss and deforestation</p> <p>Eurizon is also part of the following working group:</p> <ul style="list-style-type: none"> • <i>Biodiversity</i>, promoted by the <i>Forum per la Finanza Sostenibile</i> 	 <h2>Human Rights</h2> <p>2023  Member of Advance to encourage the adoption of best practices in human rights and labor standards</p> <p>Eurizon is also part of the following working group:</p> <ul style="list-style-type: none"> • <i>Renewable Energy Sector Group</i>, promoted by <i>Advance</i> 	 <h2>Governance</h2> <p> Eurizon participates in the activities of the Corporate Governance Committee, the Sustainability Committee and Investment Managers' Committee promoted by Assogestioni</p> <p>Eurizon is also part of the following working groups:</p> <ul style="list-style-type: none"> • <i>IIGCC Proxy Advisor Engagement</i> • <i>IIGCC Index Investing</i>
---	---	--	---

Since **2004**, the participation in national and international initiatives has supported the **development of Eurizon Stewardship practices**



<p>2004</p> <p>Signatory of CDP, an independent non-profit organization for the measurement and management of environmental impact</p> 	<p>2014</p> <p>Endorser of the Italian Stewardship Principles</p> 	<p>2015</p> <p>Endorser of the Principles for Responsible Investment promoted by the United Nations</p> 	<p>2016</p> <p>Member of the International Corporate Governance Network (ICGN)</p> 	<p>2021</p> <p>Ordinary member of the Forum for Sustainable Finance</p> 
---	--	--	---	--

* On 13 January 2025, Net Zero Asset Managers Initiative (NZAMI) initiated a review of the Initiative to ensure its relevance to the new global context. During this review phase, the initiative will suspend implementation monitoring and reporting by signatories.

Stewardship activity in 2024 - Snapshot in numbers

The commitment to the four priority topics



Climate change

Voted on 17 “Say on Climate” proposals presented by management, supporting 9 of them

Supported 100% (7) of the shareholder proposals requesting the **presentation of the transition plan to the vote**

Voted on 32 “Say on Non-Financial Statement” proposals, supporting approx. 90% of them

Engaged 66 issuers to further develop their **Net Zero Strategy** and **climate solutions investments**

5 collective engagements carried out within the **Climate Action 100+** initiative



Biodiversity

Supported 100% (24) of the proposals requesting greater transparency in **biodiversity conservation and circular economy**

32 engagements conducted to assess the impacts on biodiversity, **10** of which involved issuers identified through the **“Eurizon Naturewatch”** screening

10 collective engagements conducted within the **Nature Action 100** initiative

41 engagements conducted on **circular economy**



Human rights

Supported 100% (50) of the proposals aimed at **protecting workers’ rights throughout the supply chain**

46 engagements conducted on **social issues**

Supported 100% (9) of the relative proposals and **3** engagements carried out to evaluate processes adopted for the development and integration of **AI-based technologies** and for **data protection**

21 due diligence activities and **6 engagements** conducted to verify issuers’ actual involvement in the **production of unconventional weapons**



Governance

482 votes cast against the appointment/re-election of directors due to their lack of independence within the Board of Directors or Board committees

266 votes cast against the re-election of directors responsible for decarbonization strategy according to the proprietary framework that assesses directors’ accountability in implementing decarbonization strategies (so-called **“Director Accountability”**)

166 votes cast against the re-election of the Chair of the Nominating Committee due to the lack of diversity on the Board of Directors

Votes cast against 16% (275) of the proposals relating the **remuneration policies** due to the lack of adequate and comprehensive information

41 minority directors elected in coordination with **Assogestioni**

The exercise of voting rights

Eurizon Capital SGR, on behalf of its managed assets, participates in the general meetings of selected companies listed on the Italian Stock Exchange and international markets, considering the value of participation in relation to the interests of the managed assets and the possibility of making an impact on companies' decisions in relation to the voting rights of the shares held. In addition, **as a signatory of the “Principles for Responsible Investment” promoted by the United Nations (UN PRI), Eurizon pays particular attention to the policies implemented by the issuers in which it invests, in the belief that sound corporate governance practices, incorporating environmental, social and governance issues, can create long-term value for shareholders.**

In compliance with applicable regulations, Eurizon has adopted specific organizational and/or procedural measures to ensure independence and autonomy in exercising voting rights concerning the managed assets as outlined in its *Strategy to exercise participation and voting rights inherent to the financial instruments pertaining to the managed assets of Eurizon Capital SGR S.p.A.*, available on the Company's website www.eurizoncapital.com.

Within its Strategy, Eurizon has incorporated guidelines for defining the voting instructions at general meetings, in line with the principles expressed by corporate governance codes as well as with national and international best practices.

The Company maintains, in any case, a differentiated approach depending on the relevance of the issuer, the reference markets and/or the specific circumstances.



The exercise of voting rights

The Corporate Governance unit monitors general meetings and, following qualitative and quantitative criteria, identifies:

1. Companies in which **significant share capital is held**, as identified from time to time through internal procedures;
2. General meetings deemed relevant for the interests of the managed assets 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. General meetings whose agenda includes the election of board members or statutory auditors through a **“slate voting”** mechanism, representing minority shareholders;
4. General meetings to approve **extraordinary transactions** deemed significant for the interests of the managed assets, in order to support or oppose the proposed transaction.

Most relevant general meeting

603*

Analysis of the resolutions on the agenda and definition of voting instructions according to the adherence of the proposals to the Guidelines. Where items are not covered by the Guidelines, voting instructions proposals are set considering (i) an 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

Voting instructions that deviate from the Guidelines or address items not covered by them are submitted to the CEO for authorization.



Voting rights may be exercised through a third-party, when necessary

Other general meeting

953

Voting instructions, established in accordance with guidelines approved by the Board of Directors at the proposal of the CEO, within the ESG Committee, are applied.



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

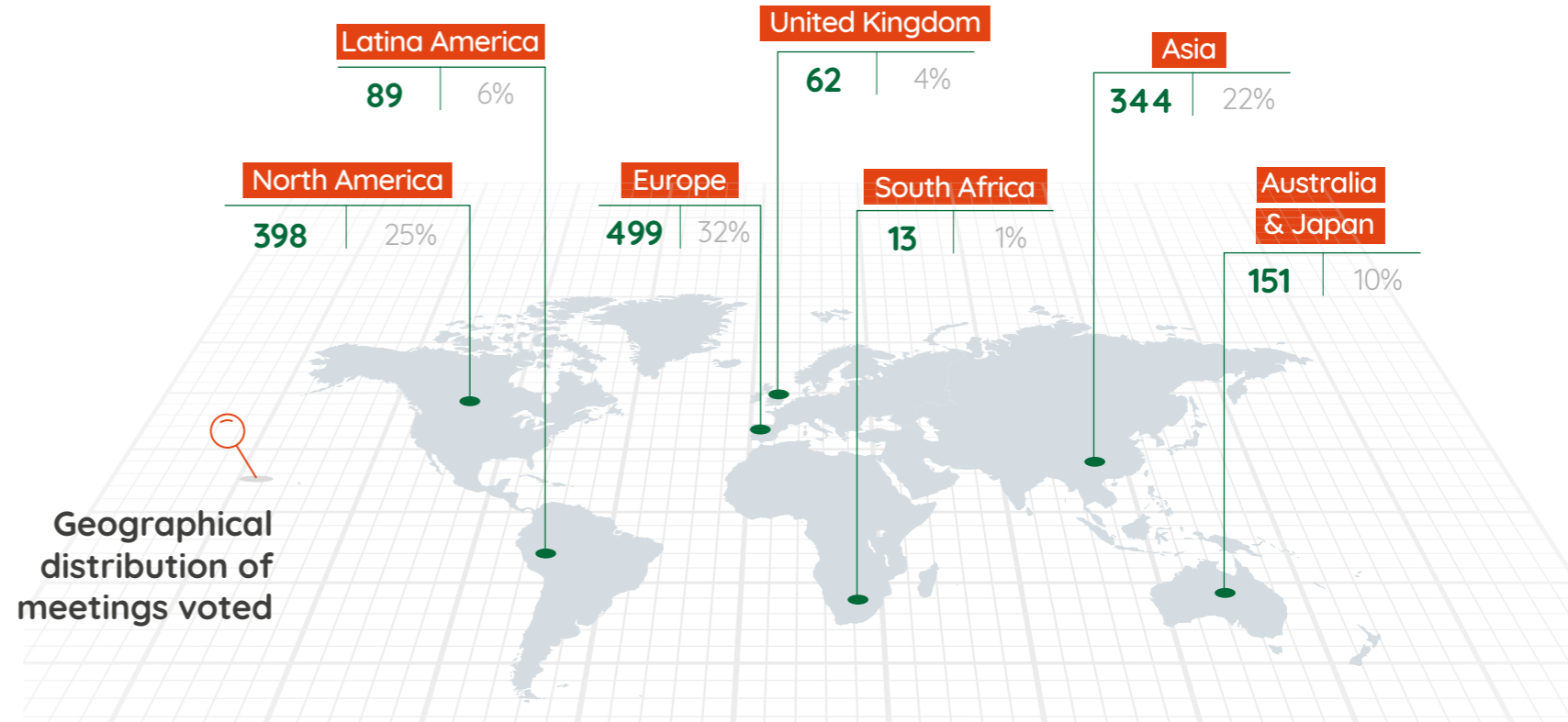
1,556
Voting completed

* A detailed breakdown of the events according to the identified criteria shows that n. 42 meetings fall within criteria 1; n. 462 meetings fall criteria 2; n. 42 meetings fall within criteria 3; n. 57 meetings fall within criteria 4.

The exercise of voting rights

2024

- By exercising voting rights, Eurizon actively participates in the life of companies in which it invests, guiding their behavior and objectives.
- During 2024, the Company participated in 1,556 general meetings, 10% of which were of companies listed on the Italian Stock Exchange and 90% of companies listed abroad.
- The Company voted 19,217 resolutions, including 18,195 presented by management and 1,022 presented by shareholders.



1,556
General meetings vote

19,217
Agenda items voted

89%
Participation out of total votable meetings

93%
Environmental and Social shareholder proposals supported*

35%
Shareholder proposals voted against Proxy Advisor recommendations

16%
Proposals voted against Management recommendations

Shareholder proposals allow investors to interact with investee companies, submitting to the management issues deemed relevant for the protection of shareholders' interests.

Eurizon's support for such proposals, which increasingly refer to environmental, social and governance issues, aims to build a dialogue with companies to encourage their sustainable growth.

* The data does not include "anti-E&S" proposals, i.e., shareholder motions that discourage the adoption and application of sustainability principles. For a detailed breakdown of the general meetings voted during the year, please refer to the Proxy Voting Dashboard and the document "Eurizon Capital SGR S.p.A. participation in General Meetings - 2024", both available on www.eurizoncapital.com.

The geographical split is based on the issuers' listing location.

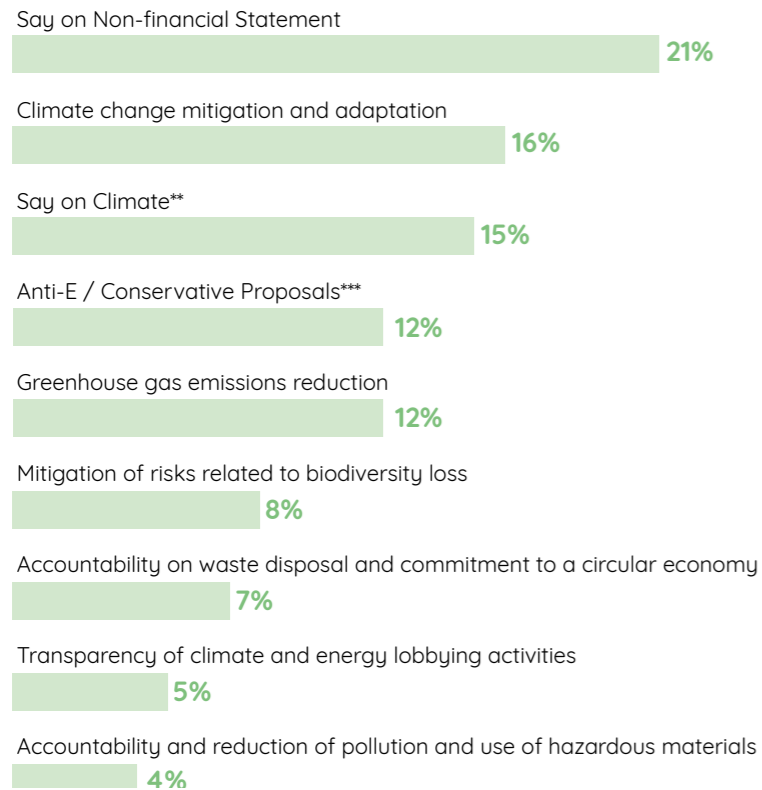
The exercise of voting rights

Proposals voted in 2024



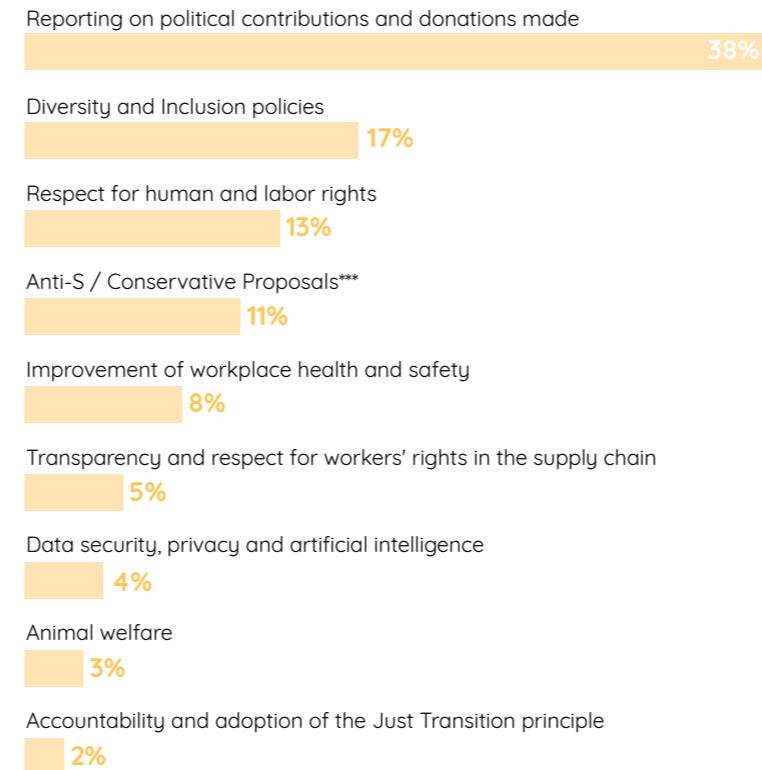
Environmental

155 environmental-related proposals voted, contributing to the success* of 37% of them



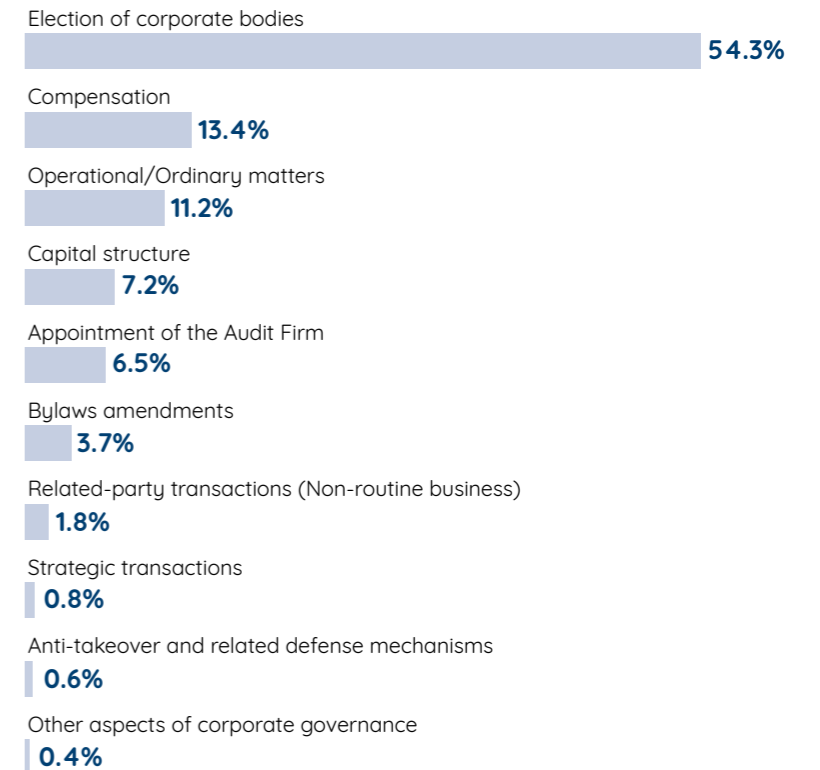
Social

267 social-related proposals voted, contributing to the success* of 34% of them



Governance

18,795 governance-related proposals contributing to the success* of 81% of them



* "Success" is defined as when a vote For/Against aligns with its expected outcome (i.e., For&Pass; OneYear&Pass; Against&Fail; Abstain&Fail). "Failure" occurs when a vote does not align with its expected outcome (ie. Against&Pass; Withhold&Pass; For&Fail). Excluded from this classification are situations where data are missing (Against&N/A; Abstain&N/A) or the proposal was not put to the vote (ie. No Vote&Pass; Against/For&Withdrawn).

** This figure includes Say on Climate resolutions presented by management and shareholder resolutions requesting a vote on transition plans.

*** Motions put by groups that support strongly conservative environmental and social policies or that are openly critical of climate neutrality targets.

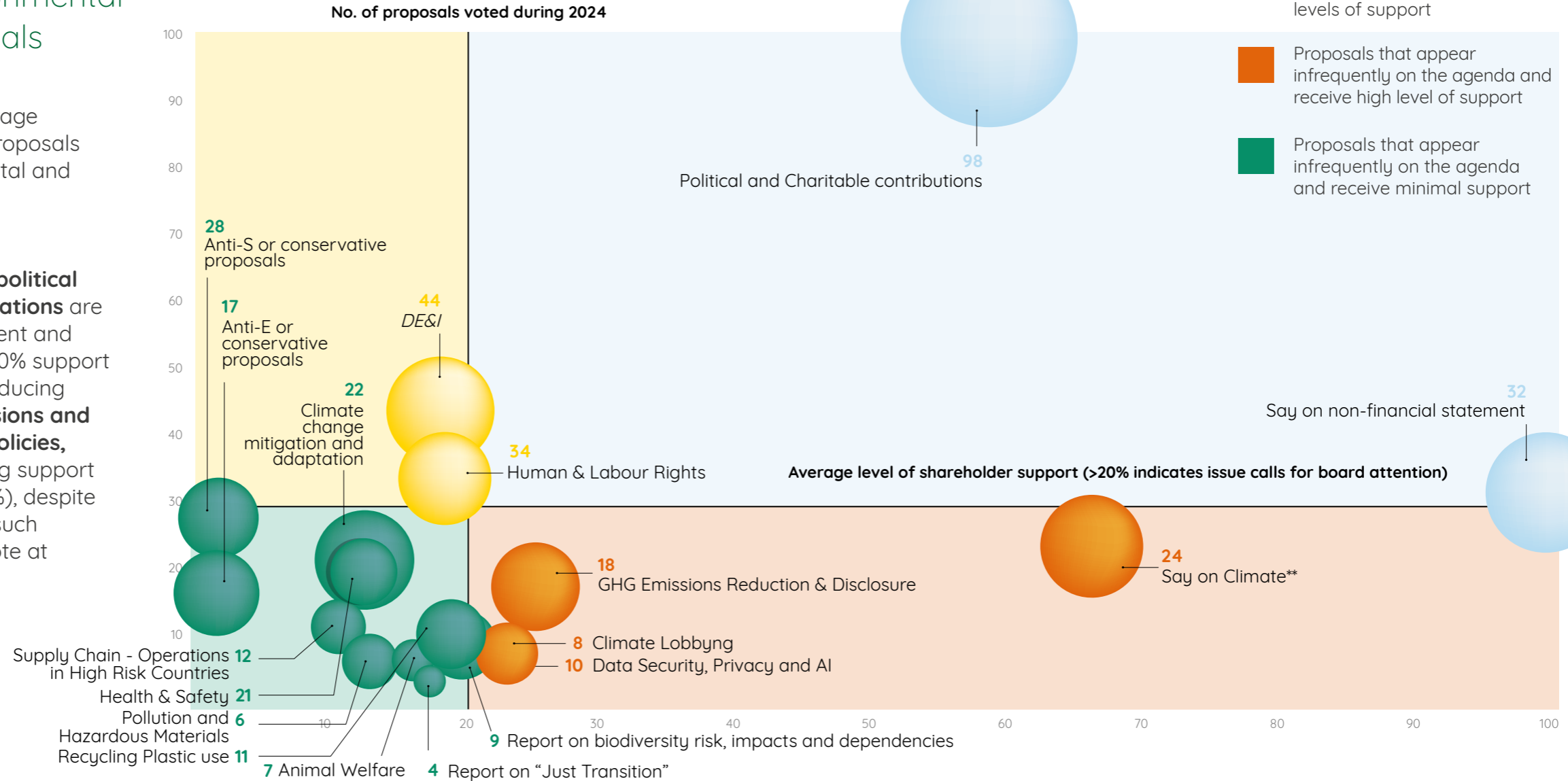
The exercise of voting rights

Focus on the number and support for environmental and social proposals

The graph* illustrates average shareholder support for proposals related to key environmental and social issues.

Key findings include:

- Resolutions regarding **political contributions** and **donations** are among the most frequent and typically garner over 50% support
- Proposals related to reducing **greenhouse gas emissions and lobbying on climate policies**, generally receive strong support (between 20% and 30%), despite the limited number of such proposals put to the vote at meetings.



*The graph does not take into account proposals for which we do not have a public outcome of the General Meeting.

**Data includes Say on Climate proposals submitted by management and shareholder proposals requesting the submission of transition plans to the ballot.

Climate Change

Focus on key resolutions voted



Climate change mitigation and reduction of greenhouse gas emissions



Supported 38 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 was over 40%).

Lobbying on energy and climate issues



Supported all proposals (8) requiring issuers to disclose whether and how their **lobbying activities** align with their stated commitments and targets on climate change or with the Paris Agreement (average support was 23%).

Say on Climate



Voted on 17 transition plans, 23% of which were submitted by companies in the Oil & Gas sector. In 47% of cases, the vote against was cast due to their lack of robustness and credibility, as well as inadequate investments that were not aligned with the stated Net Zero goals.

For the first time, a transition plan was rejected by nearly 60% of shareholders.

Eurizon, which has consistently voted against such plans in the past, voted with the majority.

Supported all proposals (7) seeking to put the transition strategy to a vote (average support was around 20%). Eurizon encourages more and more companies in highly polluting sectors to present their climate transition plans at general meetings, allowing investors to provide feedback where urgent changes to the strategy are needed.

Say on Non-financial Statement



Voted on 32 Non-Financial Statements supporting 88% of them; votes against were cast when sustainability reports failed to comply with international transparency standards or when the issuer's targets were not sufficiently ambitious or aligned with its 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* appears to be incentivizing companies to obtain third-party validation of their decarbonization targets, such as through the SBTi.

Anti-E / conservative proposals**



Rejected all proposals (18) calling for companies to limit spending and investments aimed at mitigating climate change.

Despite the large number of anti-E(SG) proposals submitted, average support was 1.9%.

* 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 as of 2024, with reference to the financial year 2023. In Spain, lawmakers implemented EU Directive 2014/95 by Law 11/2018, which requires listed companies with at least 500 employees during the financial year to schedule 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.

** Motions put by groups that support strongly conservative environmental and social policies or that are openly critical of climate neutrality targets.



Climate Change

Analysis of a “Say on Climate” for an Oil & Gas company

Eurizon has developed an analytical framework for voting consistently on transition plans, regardless of the company’s sector.

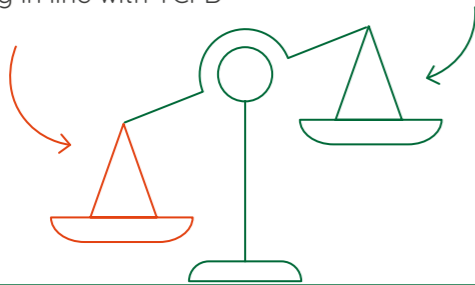
The framework combines key evaluation criteria with additional evidence or considerations.

Key evaluation criteria

- Net zero ambition by 2050
- GHG Emission reduction targets
- Decarbonization Strategy
- Capital allocation
- Engagement policy
- 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



- In 2022, Eurizon voted for the first time against a “Say on Climate” of a “target” company in the Oil & Gas sector; nevertheless, the proposal was carried by a 51% majority.
- In 2024, Eurizon reaffirmed its opposition, due to several shortcomings in the transition plan; this time the Say on Climate was rejected, by a majority of 58.4% against.

Key evaluation criteria	Overall assessment
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
Decarbonization strategy	Negative
Alignment of capital allocation (capex) with 1.5°C scenario	Partial
Engagement policy in line with decarbonization targets	Partial
Good corporate governance practices	Partial
Adherence to Just Transition principles to minimize social impacts of the company’s decarbonization efforts and presence of a plan to monitor progress towards a just transition	Partial
Reporting on decarbonization strategy in line with TCFD recommendations	Positive
Assessment Outcome	The plan has significant shortcomings

Additional evaluation criteria	Overall assessment
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)	<ul style="list-style-type: none"> • 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
Assessment Outcome	Not in line with industry expectations
Voting instruction	AGAINST

Biodiversity

Focus on key resolutions voted

Mitigation of risks related to biodiversity loss



Voted in favor of all proposals (13) aimed at **evaluating the risks, impacts and business dependencies, including in the supply chain, associated with biodiversity loss and natural capital degradation**, in detail:

- A motion calling for a **mining company** to conduct an independent review to assess the environmental impact resulting from the exploitation of water resources necessary for its operations. According to data from the U.S. Geological Survey (USGS) and the World Resource Institute's Aqueduct tool, 16% of the mines worldwide are located in areas of high water stress, and without proper management of mining activities, there is a risk of further compromising limited freshwater reserves.
- A request to two **automotive companies** for a moratorium on the use of deep-sea minerals in their production and supply chains. Deep-sea mining, aimed at supplying the chemical elements essential for the construction of batteries for electric vehicles, can have destructive and irreversible effects on marine ecosystems and biodiversity, with potential repercussions on food security, carbon cycles, and metal and nutrient cycles in the oceans.

Circular Economy



Supported all proposals (11) calling for:

- Greater transparency on **the financial implications of reducing demand for single-use plastics demand** and increasing the use of recycled plastic, 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 motions were addressed to three oil companies and two chemical companies.
- Further information on **actions aimed at reducing the use of plastics and promoting a circular economy for packaging production**. One of the motions supported called on a bank to report on its lending activities supporting the transition to a circular economy.
- The adoption of an **extended producer responsibility policy** by one of the major players in the tobacco industry was also supported. This industry is a significant contributor to plastic pollution due to non-biodegradable single-use plastic filters that end up in the environment as microplastics.

Pollution and hazardous materials



Support all proposals (6) focusing on:

- The **disclosure of statistics on pesticides use and the assessment of associated risks within** agricultural supply chains, given the many adverse environmental and social impacts on biodiversity, climate resilience, water quality, and the health and safety of agricultural workers and surrounding communities.
- **The adherence to the World Health Organization's guidelines on the use of antibiotics in supply chains**; the motion specifically inquired about the potential harmful effects of products and ingredients/chemicals used in the company's production processes.
- **Greater transparency on the effects and risks associated with electromagnetic radiation, wireless technologies**, and the use of lead-coated cables.



Human Rights and social issues

Focus on key resolutions voted



Political Contributions and Donations



Voted on 102 proposals focusing on corporate procedures and policies governing **direct and indirect lobbying activities**, the alignment of political spending with the company's stated values, and the **authorization processes and determination of amounts to be allocated by the company for corporate donations and charitable spending** (overall average support was 58%).

Diversity and Inclusion



Supported 41 proposals calling for a report to assess:

- The **effectiveness of the company's diversity and inclusion policies**;
- The management of any **gender/ethnicity-based pay gaps**;
- The **prevention of workplace harassment and discrimination** (the overall average support was 18%).

Health and Safety



Voted in favor of proposals (19) calling for the commissioning of independent audits to **certify the effectiveness of safety measures and practices** in the workplace (the overall average support was 12%).

Human and Labor Rights Just Transition



Supported all the proposals (34) regarding the **assessment of risks related to the lack of human rights protection and the improvement of human rights** standards and policies. Among these, a motion calling on an airline and logistics company to request greater transparency on the management of human rights and labor risks was approved with over 90% of votes in favor.

Supported all the proposals (4) calling on companies to report on the impacts on communities caused by the closure of their facilities or the implementation of their energy transition strategy. The concept of a **“just transition”** aims to optimize the benefits of moving towards a sustainable, regenerative, and non-polluting global economy, while minimizing associated social challenges.

Finally, a request calling for a report on the correctness of obtaining **free, prior and informed consent (FPIC) from local indigenous communities** was supported.

Supply Chain



Supported all proposals (12) calling for greater transparency in the **sustainable management of the supply chain**, particularly for companies operating in geographical areas at higher risk due to a lack of protection and respect for human rights; specifically, some motions called for the implementation of programs aimed at eliminating the exploitation of child labor in the supply chain (the overall average support was 11%).

Artificial Intelligence



Supported 9 proposals regarding the **assessment of risks arising from AI-led disinformation** through (i) increased investment in content regulation, (ii) analysis of AI's potential impact on human rights, and (iii) establishment of principles for the ethical development of technology.

The use of AI also emerged as key indicator in selecting the required skills during an activist campaign (proxy fight) aimed at a management turnover.

Governance

Focus on key resolutions voted



Election of strategic Supervisory Bodies



Voted on 10,208 proposals for the re-election of directors, achieving success in 80% of cases. Votes against were cast in 15% of cases, primarily due to a lack of (i) independence, (ii) diversity, and (iii) oversight and/or implementation of the climate strategy:

- **Lack of independence led to 482 votes against the re-election of directors;**
- **Lack of diversity in the Board of Directors resulted in 166 votes against the re-election of the Chair of the Nomination Committee.** In 71% of cases, these were US-based companies. An analysis of progress made since 2023 showed that: (i) approximately 21% of companies increased diversity in their board, (ii) 52% of companies did not improve diversity on the board; in these cases, we voted against the Chair of the Nomination Committee for the second consecutive year.*

Remuneration Policies



Voted on 2,524 proposals, including **1,745 Say on Pay**, of which Eurizon voted against in 16% 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 1,111 proposals concerning the appointment of external audit firms, voting in favor in 92% of the cases. Eurizon voted against 47 proposals due to a lack of transparency or the excessive tenure of the audit firm's mandate (over 20 years).

Support for 74 proposals regarding the appointment of audit firms specialized in certifying non-financial information, as required by the CSRD.**

Other Aspects of Corporate Governance



Voted on 71 proposals concerning governance structure, supporting all motions calling for: (i) the inclusion of ESG performance indicators in directors' remuneration, (ii) the establishment of a committee dedicated to overseeing sustainability matters and (iii) the appointment of directors with ESG expertise.

*In some cases, it was not possible to express a vote because the agenda did not include the re-election of the Chairman of the Nomination Committee, due to there being no the Annual General Meeting called in the reference period or due to a lack of voting shares.

** The Corporate Sustainability Reporting Directive - CSRD which governs corporate sustainability reporting, amended Directive 2013/34/EU (concerning to the obligation of large undertakings to disclose non-financial information), with the aim of enhancing sustainability reporting, aligning it with traditional financial reporting and acknowledging their intrinsic link.









Governance

Assessing directors' accountability for climate strategy

Eurizon “Directors’ Accountability Framework for Climate Change”

- In 2024, **447 “target” companies under the Directors’ Accountability Framework** were monitored: of them, **319 had sufficiently ambitious climate strategies** and therefore received our support; **105 companies showed deficiencies in the implementation of their decarbonization strategy** leading Eurizon to vote against the re-election of 266 directors*.

Voting instructions driven by the implementation of the decarbonization strategy	No. Companies
Vote in favor of the members of the Board of Directors	319
Vote against the re-election of the incumbent Chairman of the Sustainability Committee due to shortcomings in the implementation of the decarbonization strategy	45
Vote against the re-election of incumbent members of the Sustainability Committee due to severe deficiencies in the implementation of the decarbonization strategy	33
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	9
Vote against the re-election of board members (including CEO) due to material failures in the implementation of the decarbonization strategy	18

Sector of “target” companies	No. Companies
 Consumer staples/discretionary	110
 Materials	91
 Energy	61
 Industrials	56
 Utilities	45
 Others (IT, Health Care and Financials)	84

- Eurizon voted **against the entire board of 6 companies due to a lack of oversight on climate change issues.**
- Eurizon voted against the re-election of directors at **32 companies**, due to their involvement in **serious climate and social controversies.**
- For **61 companies** Eurizon voted against the directors due to **persistent and significant shortcomings in their decarbonization strategy**, in line with the votes cast in 2023.

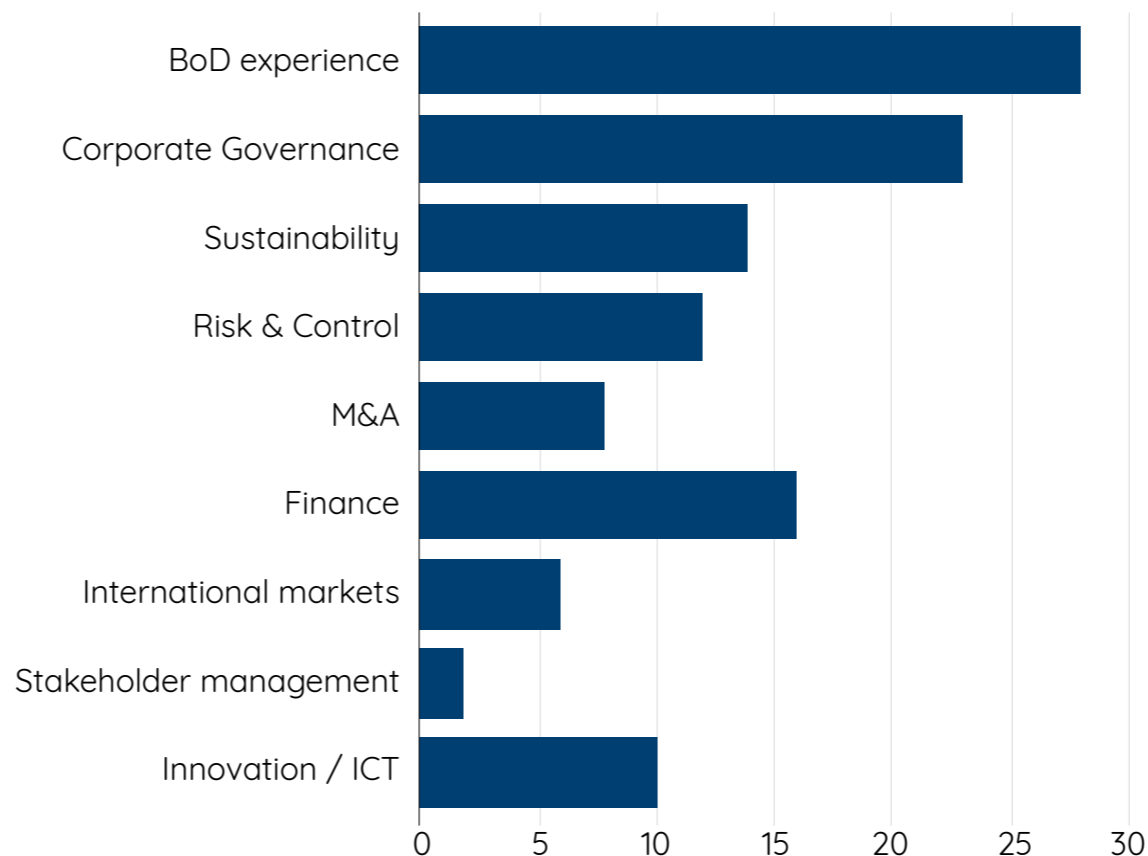
* For 23 companies it was not possible to cast a vote as no directors appointment was on the agenda.

Governance

“Voto di lista”

- Eurizon contributes to the election of Board Members and/or Statutory Auditors of 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 nominating candidates to be included on minority slates on behalf of institutional investors, the Company complies with the principles and criteria established by the Assogestioni Corporate Governance Committee, which sets out the requirements for the professional competence, integrity and independence of candidates, as well as the conditions for their ineligibility and incompatibility. Moreover, the Company has adopted the Protocol of Autonomy prepared by Assogestioni for the management of conflicts of interest, with the aim of safeguarding the independence of its decision-making.
- The selection process for candidates to be nominated on minority lists follows a diversification criterion, including gender and skill diversity to ensure that those elected can actively contribute to the work of the corporate bodies.

Breakdown of expertise of candidates elected in 2024



Source: Internal processing of data collected during the minority lists definition phase within the Assogestioni Investment Managers' Committee.



“Voto di lista” numbers

40

Issuers for which at least one slate of candidates was presented*

41

Directors elected

45%

Female representation among elected candidates**

41%

Female representation among elected directors

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






**Eurizon contributed to the election of 41 directors with 17 female representatives; 34 effective statutory auditors with 11 female representatives; 31 alternate statutory auditors with 20 female representatives.

The exercise of voting rights

Against or Abstain votes

In exercising the right to vote, Eurizon applies its “Strategy” to ensure that votes are cast transparently and in the interests of the managed assets. For this reason, Eurizon has set out the principles and the conduct to follow in evaluating the most common items on the agenda at general meetings.

During 2024, **Eurizon supported 93% of shareholder resolutions concerning environmental and social issues**.^{*} However, the Company considered it more appropriate to vote against or to abstain from voting in all situations in which the proposals presented by the shareholders were backed by a rationale not aligned with the principles supported by Eurizon or were not sufficiently detailed. The table shows a series of proposals and the rationale that led the Company to vote against or abstain from voting at the meeting.

Shareholder Proposals	Vote	Voting Rationale
Request for an assessment of the adverse 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 would be a set-back to the company achieving 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.
Request calling for an 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. The proponents criticized companies' positions on social issues such as abortion and gender-based care.	 AGAINST	The request was contrary to Eurizon's principles of valuing diversity and inclusion.
Request to 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.
Request 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 could not implement such a proposal because it would result in a breach of state law and contractual obligations under the directors' remuneration programs. As drafted, it was unclear whether the proposal would actually protect shareholders' interests. Eurizon did not have sufficient information to vote for or against the proposal.

^{*} Data does not include “anti-E&S” proposals, i.e., shareholder proposals that would hinder the introduction and implementation of sustainability principles.

The engagement activity

Eurizon Engagement Policy outlines Eurizon’s approach to promoting proactive interaction with the companies in which it invests in, integrating its commitment as a shareholder into its investment strategy.

The Company is committed to building a constructive dialogue with the management and/or control bodies of “relevant issuers” characterized by:

- significant exposure in the managed products (holding “significant amounts of share capital”);
- significant exposure relative to the reference benchmark;
- high exposure to sustainability risks, such as (i) involvement in sectors not considered not “responsible”, (ii) exposure to environmental issues, such as the risk of biodiversity loss and deforestation, (iii) non-compliance with human rights, and (iv) the absence of adequate corporate governance practices.

Eurizon believes that interaction with investee companies is most effective when built on a long-term relationship with the corporate bodies and senior management, who are more likely to consider institutional investors as credible

and committed partners. In this respect, engagement complements both investment analysis and the exercise of voting rights, as it allows specific issues to be addressed before considering the option of divestment from the positions held or voting against resolutions.

Engagement activities involve both the investment team and the ESG & Strategic Activism team, who collaborate to best integrate investment decisions with Stewardship practices. The outcome of engagement can influence investment decisions as well as the determination of the vote at the general meetings. Engagement activities and their outcomes are disclosed on a dedicated internal platform and are accessible to all stakeholders involved in the investment process.

As part of its Net Zero commitment, Eurizon aims to engage with companies representing 70% and 90% of the emissions financed by the “In-Scope Portfolio”* which will be contacted by 2025 and 2030 respectively, to encourage them to undertake decarbonization paths for their activities and progressively align with the climate neutrality scenario.



Engagement methods

- **One-way** or unilateral, in which communication is initiated by one party to inform the other about a specific issue;
- **Two-way** or bilateral, in which both parties constructively interact to mutually monitor the topics covered by the meeting;
- **Collective**, which envisages multiple investors acting together to engage with a specific issuer.

Tools that can be used for engagement may include, among others, conference calls, webcast presentations, letters and, when possible, face-to-face meetings.

For Eurizon, engagement involves ongoing dialogue with investee companies, with a view to building a medium/long-term relationship aimed at monitoring and drawing a commitment from these companies on specific issues, and participating in their general meetings.

*The portion of assets identified from time to time that will be managed in line with a climate neutrality scenario.

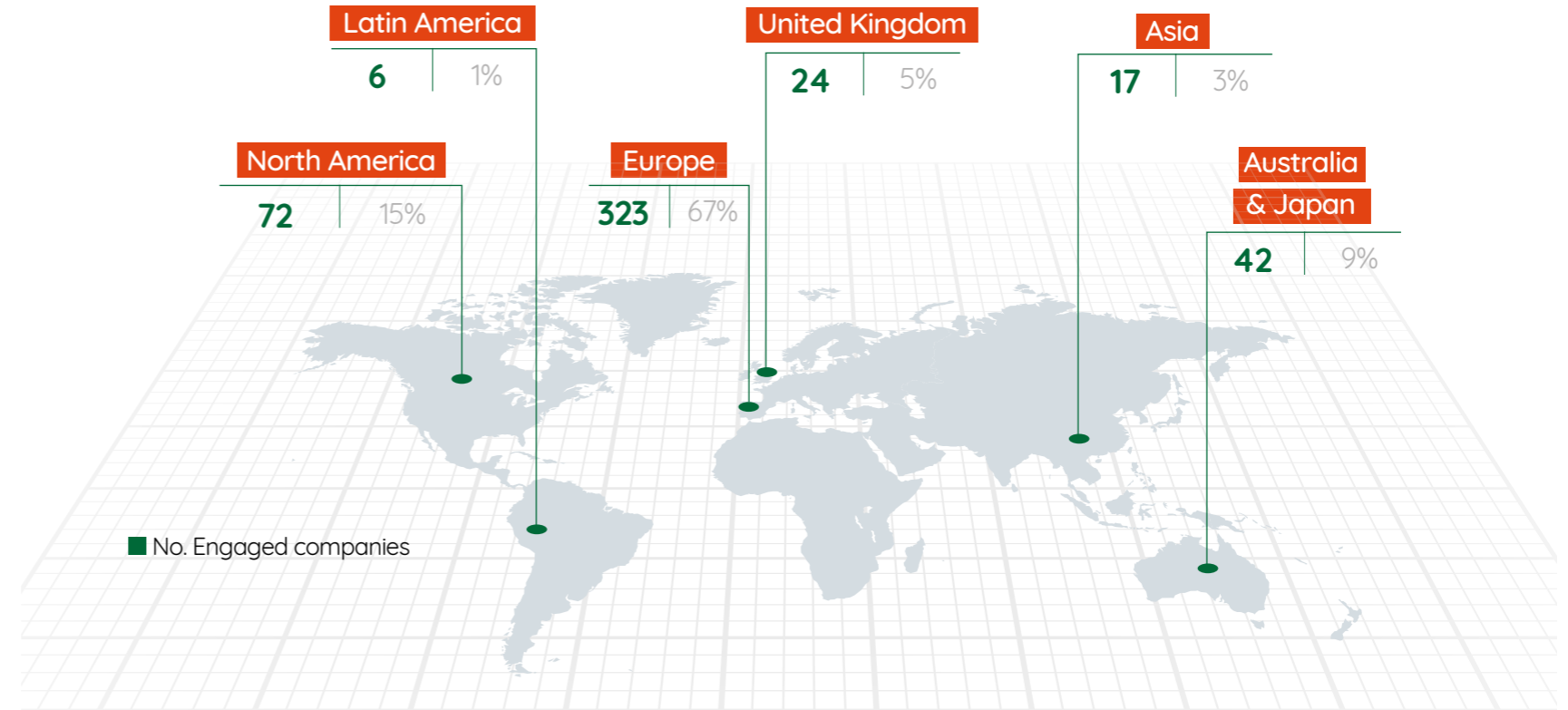
Engagement activity

2024

As an institutional investor, Eurizon recognizes the importance of building a constructive dialogue with investee companies to influence their corporate behavior and create greater medium- and long-term value for Stakeholders.

During 2024, the Company conducted 837 engagements (with 484 companies), of which 37% concerned sustainability issues.

Geographical breakdown of engaged issuers



837
Engagements

484
Companies involved

45%
Individual engagements

55%
Collective engagement

37%
Focused on sustainability topics

114
Engagement initiatives in the lead up to the exercise of voting rights

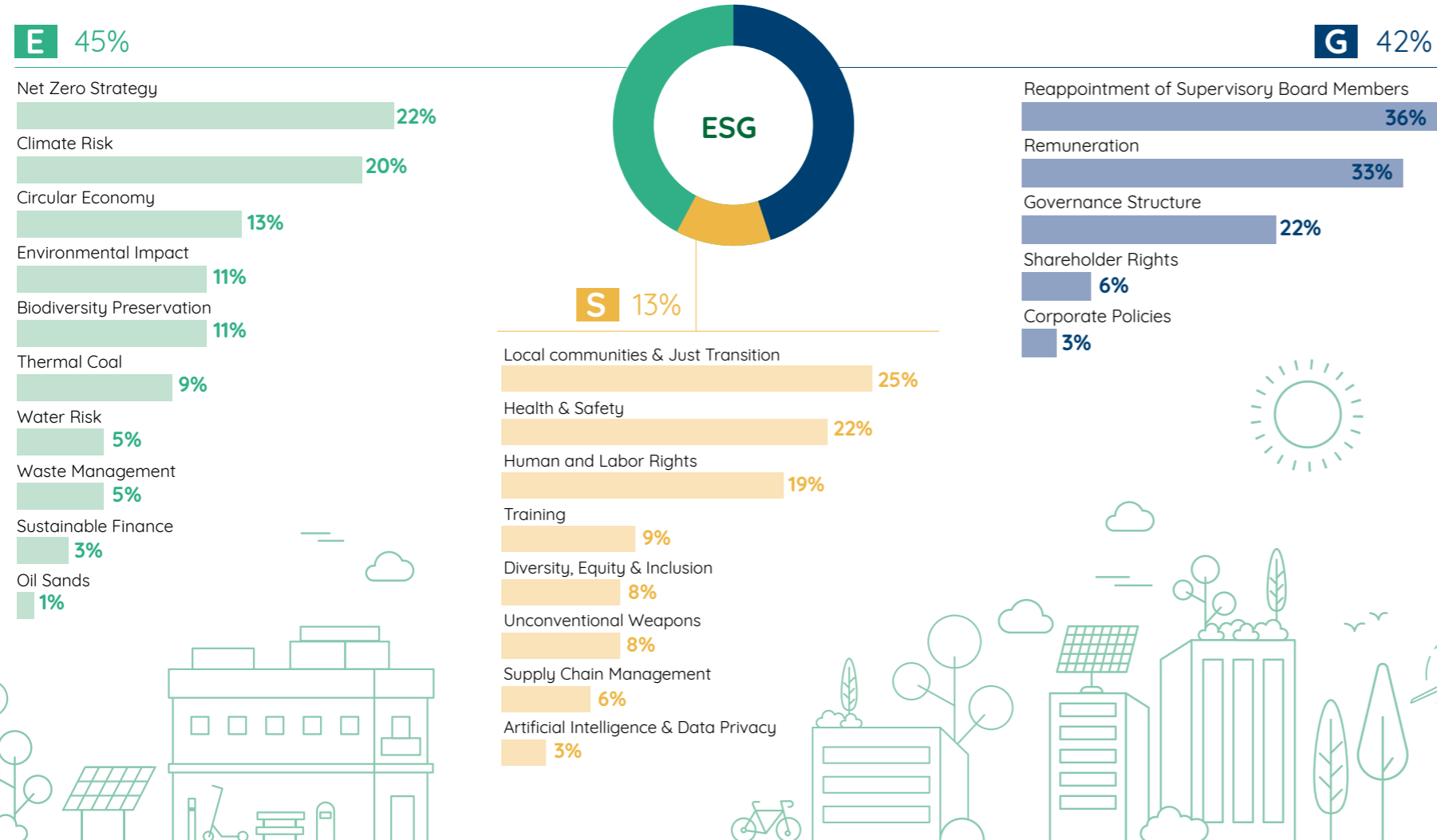
450
Initiatives with C-suite

The geographical split is based on the issuers' listing location.

Engagement activity

ESG topics addressed and sectors of the engaged companies in 2024

Key ESG topics covered by the engagements



Breakdown by sector of engaged issuers

Sector	No. Companies engaged by sector
Finance	86
Industrial	85
Consumer Discretionary	57
Information Technology	55
Utilities	44
Consumer Staples	42
Materials	33
Health Care	30
Telecommunication Services	30
Energy	15
Real Estate	7

Case studies on engagement activities



Climate Change

SECTOR: Oil & Gas

OBJECTIVE: In-depth analysis of the “Say on Climate” proposal ahead of the Annual General Meeting

ENGAGEMENT METHOD: Two-way, individual

MEETING SUMMARY:

- Despite progress made in reducing direct and indirect greenhouse gas emissions, as well as methane emissions in 2023, the company confirmed that it will continue to invest, allocating 30% of its annual net investments, in new Oil & Gas projects until at least 2030 (only 33% of investments will be directed towards renewable energy development, contrary to the International Energy Agency’s Net Zero scenario which estimates the need for over 50% by 2030*).
- The company also highlighted its ambition to become the world’s third-largest liquefied natural gas (LNG) company, planning to develop a portfolio that will lead to 50% growth in volumes between 2023 and 2030.
- Regarding the recent assessment by TPI (which previously considered the company’s strategy aligned with the 1.5°C scenario but which recently modified its analysis, replacing it with “not aligned”), the company stated that it is in contact with the organization.

OUTCOME AND FUTURE ACTIONS: Negative

The company is not aligned with the Net Zero scenario and its investments in climate solutions fall short of the IEA’s expectations. For this reason, and considering the outcome of the meeting, Eurizon voted against the Say on Climate presented at the AGM, which nevertheless received 79.7% of favorable votes down from 88.8% the previous year. The company’s progress on its Net Zero strategy will continue to be monitored.



* In 2023, \$1.8 trillion was invested in clean energy, which will need to rise to around \$4.5 trillion per year by early 2030 to reach “Net Zero”. Source: <https://www.iea.org/news/the-path-to-limiting-global-warming-to-1-5-c-has-narrowed-but-clean-energy-growth-is-keeping-it-open>.

Case studies on engagement activities



Biodiversity

SECTOR: Consumer Staples

OBJECTIVE: Comprehensive overview of commitments and strategies to address deforestation and biodiversity loss

ENGAGEMENT METHOD: Two-way, collective within the Nature Action 100 initiative

MEETING SUMMARY:

- The Board of Directors oversees the impacts, risks, and opportunities related to biodiversity, and management compensation include specific performance indicators in this area.
- The company has adopted a “No deforestation, No Peat, No Exploitation”^{*} policy for palm oil and sugar-derived products, a responsible sourcing policy for coconut, and has been a member of the Roundtable on Sustainable Palm Oil (RSPO) since 2004.
- Regarding product traceability, it is nearly 100% for palm oil (the goal is for all palm oil-derived products will be RSPO certified by 2026); for products where certification methods have not been developed, such as coconut, full traceability is not yet achievable.
- The company stated that the 2024 Sustainability Report will seek to meet the recommendations of the Task Force on Nature-related Financial Disclosures (TNFD) and explained the difficulties in complying with the requirements of the European Deforestation-free Products Regulation (EUDR), due to limited traceability and lack of certification standards in some of the countries where it operates.

OUTCOME AND FUTURE ACTIONS: Positive

The company provided extensive details on (i) the strategy undertaken, (ii) its commitment to assess and oversee the risks, impacts, and opportunities of its activities on biodiversity, and (iii) its willingness to comply with international regulations despite difficulties. Eurizon will continue to monitor progress towards the stated objectives and commitments; in fact, four months later, the company contacted Eurizon to provide an update on its strategy and regulatory compliance.



^{*} One of the most significant policies adopted by the agricultural industry so far is the “No Deforestation, No Peat and No Exploitation” (NDPE) principle, which means no deforestation, no peatland drainage, and no exploitation. The palm oil sector has been a pioneer in implementing this policy. Each aspect of the NDPE policy sets specific objectives aimed at protecting environmental resources and people. By increasing the level of control over the supply chain, these objectives also help to reassure consumers when purchasing products containing sustainable palm oil.

Case studies on engagement activities



Human Rights

SECTOR: Materials

OBJECTIVE: To conduct an in-depth analysis of the management of health and safety risks, particularly in the light of the serious incidents that have occurred at the company's operational sites.

ENGAGEMENT METHOD: Two-way, individual

MEETING SUMMARY:

The company requested the meeting to present, among other topics, the health and safety practices it has recently implemented. In fact, in November 2023, an explosion at one of the company's mines resulted in 46 deaths (at the time of the engagement, the affected site was no longer owned by the company). The company had previously been involved in fatal incidents at other production sites.

At the time of the meeting, the incident was under investigation by local authorities, and the company had commissioned an external investigation to clarify the causes of the accident and identify any gaps in the company's health and safety procedures. Following the incident, the company stated that it had established a task force to assist the victims' families.

The company then provided an update on the investigation: (i) larger sites will be inspected by specialized personnel while smaller sites will undergo random inspections, (ii) certain assets will be prioritized for inspections, (iii) a complete review of health and safety policies will be conducted. These measures are expected to be completed by the end of September 2024.

OUTCOME AND FUTURE ACTIONS: Negative

Despite the company stated goal of "zero accidents", it recorded 61 fatal workplace accidents in 2023 alone, indicating some shortcomings in the implementation and adoption of effective strategies to mitigate and manage the risks associated with its activities. The high number of serious incidents and the apparent lack of adequate risk oversight negatively impact the company's reputation. Eurizon will continue to monitor the issuer to assess progress in adopting effective measures to protect the health and safety of its workers.



Case studies on engagement activities



Governance

SECTOR: Materials

OBJECTIVE: Key insights into the Board structure and remuneration policy for shareholders to evaluate ahead of the Annual General Meeting

ENGAGEMENT METHOD: Two-way, individual

MEETING SUMMARY:

The company outlined the composition of its Board of Directors, in line with best practices regarding (i) independence, (ii) separation of the CEO and Chairman roles, (iii) diversity, and (iv) limits on the concentrations of positions.

For the first time, the skill matrix of the Board members was added to the information contained in the document on the management's activities. The matrix outlines the competencies in corporate governance, cybersecurity, energy sector experience, and climate action that the company considers adequate for effective operations and for addressing the challenges posed by the sector.

In line with its diversity policy, the company is careful to select directors from diverse nationalities and to ensure gender representation.

The dialogue continued with a presentation of new developments and provided details of changes to the remuneration policy following feedback from investors and an analysis of peer best practices.

OUTCOME AND FUTURE ACTIONS: Positive

The focus on setting solid policies and good resource management underscores the issuer's commitment to maintaining the high standards of governance achieved over time. In particular, the company recognizes that promoting diversity, in the broadest sense, can provide a competitive advantage based on a greater capacity for innovation and adaptation in an ever-changing environment.



The escalation process

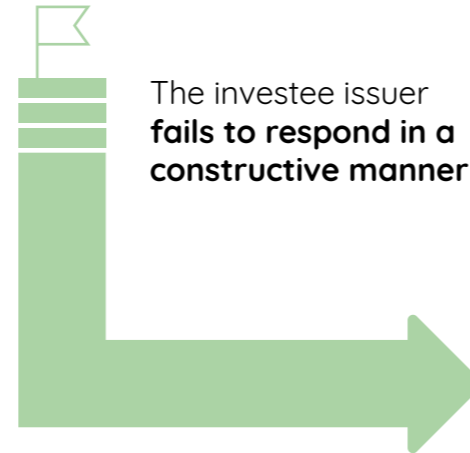
Eurizon's Engagement Policy outlines a specific "escalation" procedure for issuers deemed "critical", namely those companies with a higher exposure to environmental, social, and governance risks.

The escalation process may result in restrictions or exclusions from the Investment Universe of individual managed assets, and in the most severe cases may lead to the decision to divest.



18/36 months

Engagement activity starts



The investee issuer **responds in a constructive manner**

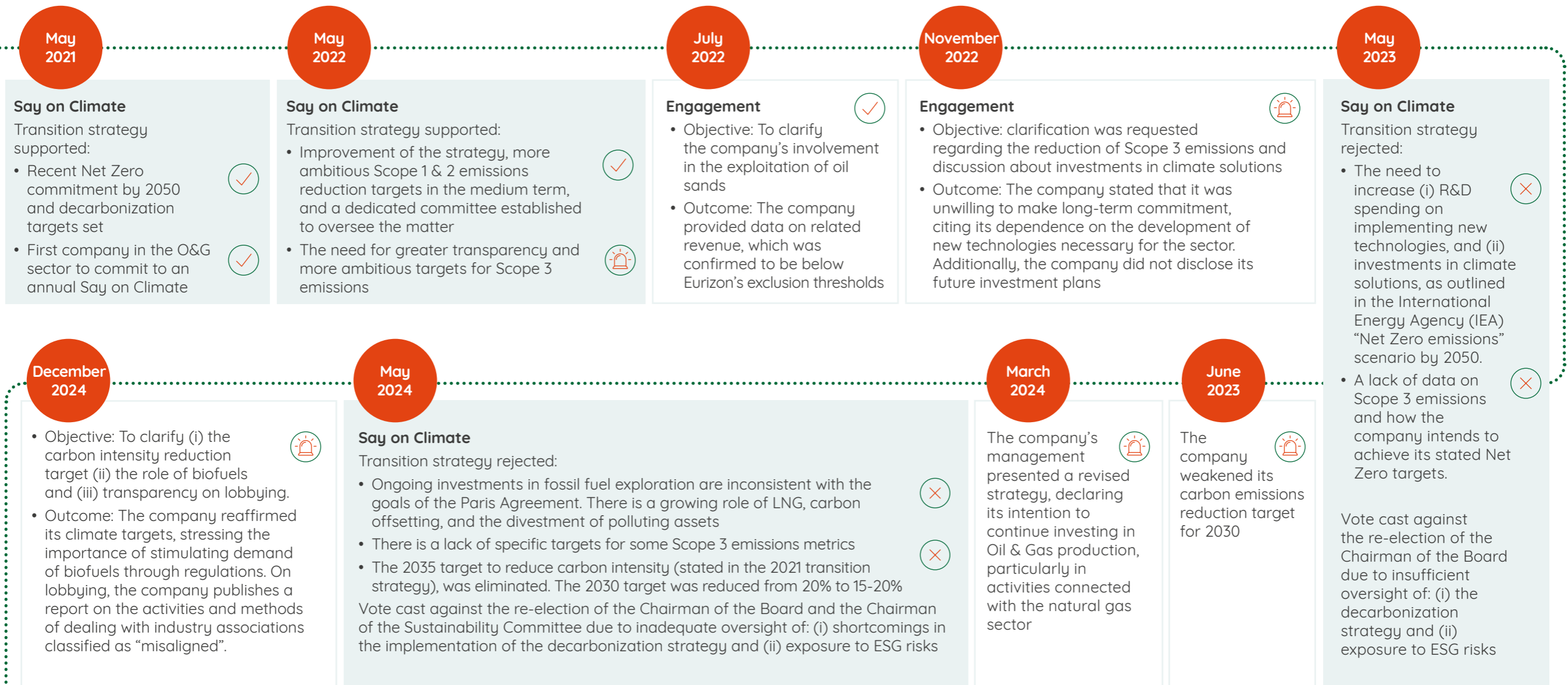
- Increase in the frequency of contacts with the issuer
- Sending of formal notices to state the expectations of the Company
- Collective cooperation with other institutional Investors

Escalation process

- Public statement made at General Meetings
- Abstention from voting or voting against resolutions at General Meetings
- Evaluation of possible divestments by the ESG Committee

Engagement ends positively

A practical case of escalation with an Oil & Gas company



Stewardship activity and the UN Sustainable Development Goals (SDGs) – Engagement

As part of the 2030 Agenda promoted by the United Nations, the 17 Sustainable Development Goals, consisting of 169 targets, represent a global action program signed in September 2015 by the governments of the 193 member states of the UN for the economic, environmental and social development.

The financial sector has a key role in the effective achieving these objectives, as it is one of the main player of economic development. In this context, Eurizon carried out a qualitative and quantitative analysis aimed at providing disclosure of the engagement activity as well as at highlighting the correlation between ESG engagements and SDGs. As a result, the Company is able to better address and effectively carry out its engagement activities with the investee companies.

In 2024, the **issues addressed during engagements** were mostly relevant to SDG n. 9 (Industry, innovation and infrastructure) followed by: SDG n. 8 (Decent work and economic growth), SDG n. 5 (Gender equality), and SDG n. 10 (Reduced inequality).



The correlation between the issues addressed in the engagements and the SDGs

The matrix shows the direct and indirect relationship between ESG issues addressed during the engagements and the 17 Sustainable Development Goals.

Issues addressed during the engagements



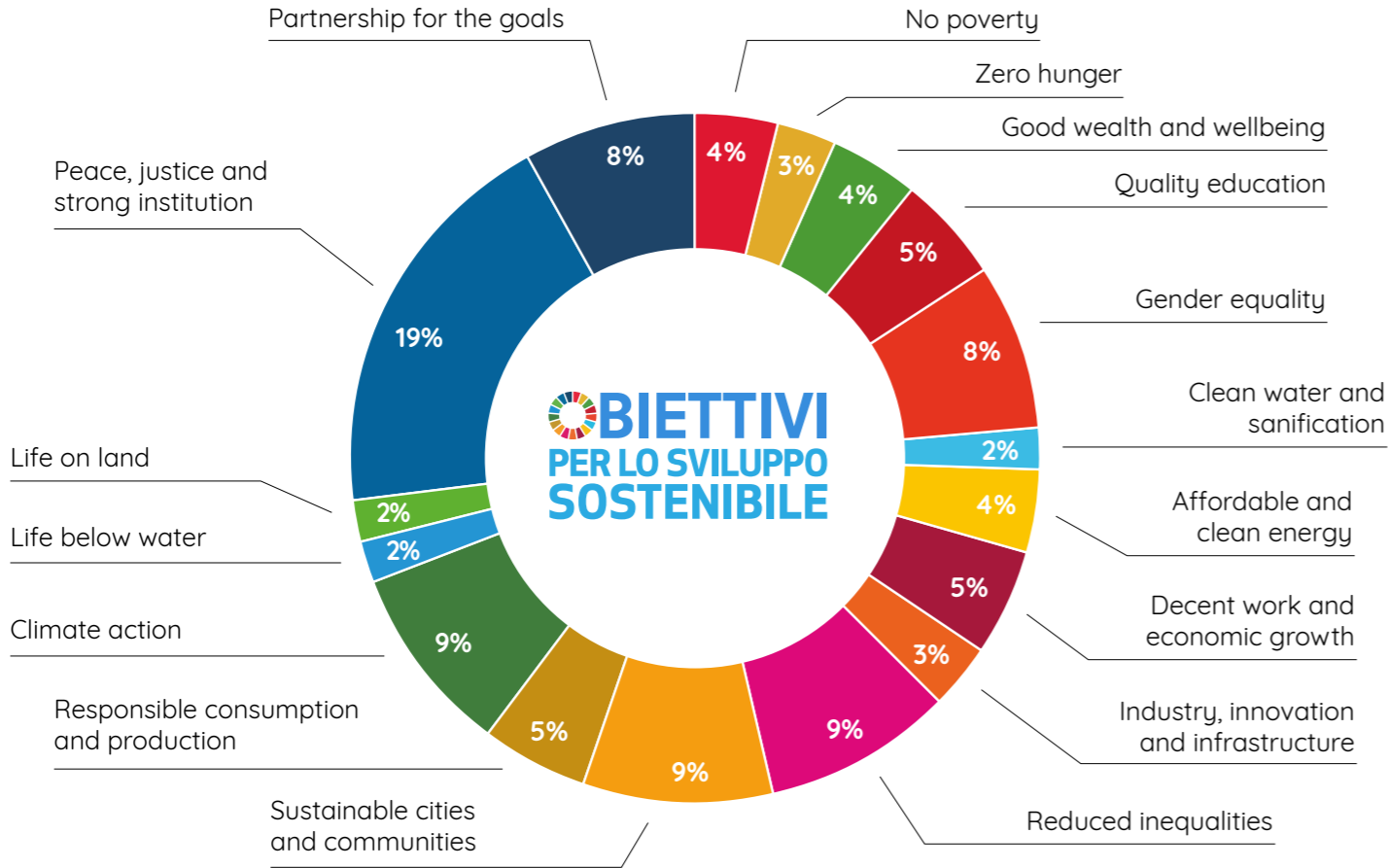
	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
Environment	Climate risk	●	●			●	●	●	●		●	●	●	●	●		●
	Circular Economy		●			●		●	●		●	●		●	●		●
	Biodiversity preservation		●									●	●	●	●		
	Water			●		●					●	●		●	●		
	Environmental impact	●		●		●	●	●	●		●	●	●	●	●		●
	Waste Management			●		●					●	●		●	●		●
	Thermal coal	●	●				●	●	●		●	●	●	●	●	●	
	Oil sands	●	●				●	●	●		●	●	●	●	●	●	
Social	Pay disparity			●	●			●		●	●						
	Human/work rights	●	●	●	●	●		●	●	●	●					●	●
	Minorities/diversity/inclusion	●	●	●	●	●		●	●	●						●	●
	Training & Education			●	●			●	●				●			●	●
	Health & safety	●	●	●		●			●		●	●		●	●		
	Local communities			●			●			●	●	●	●		●		●
	Supply chain management			●				●	●				●				
Governance	Governance Structure			●	●			●	●	●							●
	Board of directors				●	●			●	●							
	Remuneration			●	●	●		●	●	●							
	Shareholders' rights				●	●		●	●	●							
	Policies (including Sustainability, related-party transactions, whistleblowing)			●	●	●		●	●	●						●	●

● High or direct impact or contribution ● Low or indirect impact or contribution

Source: Eurizon internal elaboration.

Stewardship activity and the UN Sustainable Development Goals (SDGs) – Vote

In 2024, **voted resolutions**¹ were mostly relevant to SDG no. 16 (Peace, justice and strong institutions) followed by: SDG n. 10 (Reducing inequalities); SDG n. 11 (Sustainable cities and communities), SDG n. 13 (Climate action) and SDG n. 17 (Partnerships for the goals).

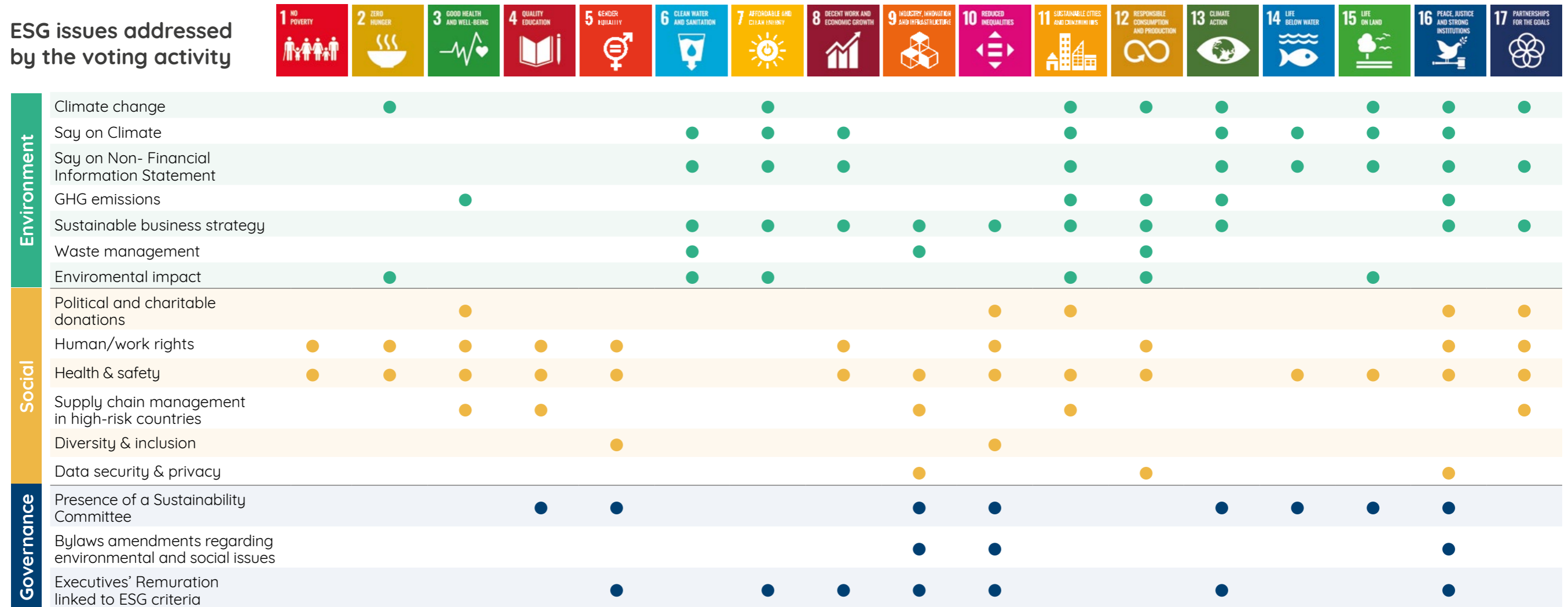


¹ The correlation between resolutions voted and SDGs is based on the qualitative and quantitative analysis that takes into consideration the environmental, social and corporate governance proposals voted (385 proposals in total), excluding anti-ESG issues.



The correlation between the votes on ESG issues and the SDGs

The matrix shows the correlation between ESG² shareholder proposals submitted to general meetings and the 17 Sustainable Development Goals.



² The correlation between resolutions voted and SDGs is based on the qualitative and quantitative analysis that takes into consideration the environmental, social and corporate governance proposals voted (385 proposals in total), excluding anti-ESG issues. Source: Eurizon internal elaboration.

Looking at 2025

Climate Change



Achieving Net Zero by 2050 will require a growing commitment from all economic actors. Eurizon will continue to promote the development of transition plans based on comprehensive, science-based information to verify their credibility and their effective compliance with the targets set. Sustainable finance has a key role to play in reducing greenhouse gas emissions. In line with the IEA's Net Zero Roadmap, Eurizon advocates for transparency and an increased efforts by issuers to invest in the transition to a Net Zero economy.

Biodiversity



In 2025, Eurizon will continue its commitment to monitoring issuers that may have a negative impact on biodiversity due to the location of their production sites close to sensitive areas and fragile ecosystems or due to their own activities. Through its proprietary screening methodology 'Eurizon Naturewatch', the Company aims to identify issuers potentially able to generate negative impacts on biodiversity in order to prioritize its engagement actions towards those with greater exposure to biodiversity loss.

Human Rights



Eurizon will continue to encourage issuers to promote sustainable and responsible business practices in their operations and along their value chains. When selecting issuers in which to invest, Eurizon will take into account compliance with the principles defined by the United Nations Global Compact (UNGC), the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, the International Labour Organisation ("ILO") and the UN Guiding Principles on Business and Human Rights (UNGP).

With reference to Law No. 220 of 9 December 2021 on measures to prohibit the financing of companies that produce anti-personnel mines, cluster munitions and submunitions, Eurizon will carry out targeted due diligence and engagement activities when deemed necessary to confirm or investigate the possible involvement of an issuer.

Governance



Eurizon believes that issuers with sound corporate governance practices are better able to manage corporate risks. An independent board with a broad and diverse range of expertise is essential to ensure oversight of ESG risks and to continuously protect and align the interests of the company with those of its stakeholders.

Through its proprietary 'Directors' Accountability to Climate Change' methodology, Eurizon monitors and assesses the potential liability of directors in the event of any shortcomings in the oversight of climate change issues. Eurizon considers the balance between remuneration policy and company performance to be a fundamental element in ensuring effective corporate governance, paying particular attention to the principles of fairness, consistency and the presence of ESG objectives in the remuneration policies of executive directors.



This document may not be reproduced, redistributed, directly or indirectly, to third parties or published, in whole or in part, for any reason whatsoever, without the prior express written consent of Eurizon Capital SGR S.p.A., which assumes no responsibility for the personal or professional use of the information contained herein.

The opinions, forecasts or estimates contained herein are made with reference only to the date of publication, and there can be no assurance that results or any future events will be consistent with the opinions, forecasts or estimates contained herein. The information provided and opinions contained herein are based on sources believed to be reliable and in good faith.

However, no representation or warranty, express or implied, is made by Eurizon Capital SGR S.p.A. as to the accuracy, completeness or correctness thereof.

Eurizon Capital SGR S.p.A., its subsidiaries, directors, representatives or employees shall not be liable for any damages (including indirect damages) resulting from anyone's reliance on the information contained herein and shall not be responsible for any errors and/or omissions contained in such information.

Any information contained in this document may, subsequent to the date of preparation of this document, be subject to change or update, without any obligation on the part of Eurizon Capital SGR S.p.A. to communicate such changes or updates to those to whom such communication was previously distributed.

Nothing in the contents of this document should be construed as investment research or as a marketing communication, nor a recommendation or suggestion, implicit or explicit, with respect to an investment strategy involving the financial instruments dealt in or issuing financial instruments, nor a solicitation or offer, nor investment, legal, tax or other advice.