

PRESS RELEASE

INTESA SANPAOLO GROUP'S WEALTH MANAGEMENT COMPANIES SET NET ZERO TARGETS

Turin, Milan, October 26th 2022 - Intesa Sanpaolo's wealth management companies, **Eurizon Capital SGR, Fideuram Asset Management SGR, Fideuram Asset Management Ireland dac and the Intesa Sanpaolo Vita Insurance Group, have set their respective targets as part of the Net Zero Asset Managers Initiative (NZAMI) and the Net Zero Asset Owner Alliance (NZAOA).** These targets, approved by each company's Board of Directors, follow the publication - in the 2022-2025 Business Plan - of the 2030 targets for cutting financed emissions in the main emission-intensive sectors and come in the wake of the Group's participation in the Net-Zero Banking Alliance.

After joining the Net Zero initiatives, announced at the end of 2021, Intesa Sanpaolo's wealth management companies committed to publishing their intermediate targets on the path to **reaching net greenhouse gas neutrality of assets under management by 2050.**

The **commitments made by joining the NZAMI** fall into four action areas:

1. **Asset Level Alignment Target**, whereby the asset managers undertake to identify the portfolio of assets, i.e., the In-Scope Portfolio¹, that will be managed with the goal of achieving climate neutrality by 2050.

Based on its research, **Eurizon reported an In-Scope Portfolio of €67.5 billion, equal to 15.39% of its AUM** at 31 December 2021.

In the same period, **Fideuram Asset Management's In-Scope Portfolio was €7.9 billion, equal to 13.86% of its AUM**, while **Fideuram Asset Management Ireland's** totalled **€13.1 billion, equal to 29.79% of its AUM**

2. **Portfolio Level Reference Target**, which reflects the intermediate targets for the In-Scope Portfolio to be achieved by 2030.

The asset management companies Eurizon², Fideuram Asset Management and Fideuram Asset Management Ireland³ have announced their goal of halving financed emissions - expressed in terms of intensity - **by 2030** compared to the baseline year (2019), as required by the IPCC (Intergovernmental Panel on Climate Change), through actions that include investing in climate solutions in addition to stewardship & engagement activities.

¹ Portfolio referring to specific asset classes - listed equity and corporate fixed income - envisaged by NZAMI.

² Target calculated as the intensity of Scope 1 greenhouse gas emissions (from sources that are controlled or owned by the company) and Scope 2 greenhouse gas emissions (generated by the energy purchased and consumed by the company) compared to the issuer's EVIC (Enterprise Value Including Cash).

³ Target calculated as the intensity of greenhouse gas emissions of "Scope 1" (deriving from sources owned or controlled by the company) and "Scope 2" (generated by the energy purchased and consumed by the company) compared to the EVIC (Enterprise Value Including Cash, i.e. the market value of the issuer including cash).

3. **Stewardship and Engagement Target**, which is a commitment to establish solid engagement plans with investee companies that incentivise them to implement effective decarbonisation pathways.

In this context, **Eurizon has set the goal of engaging 48 companies** (covering 70% of the In-Scope Portfolio's financed emissions) **by 2025 and another 107 companies by 2029** (to reach 90% of financed emissions) focusing on issuers in sectors that are considered "material" for decarbonisation.

Fideuram Asset Management has estimated that it will need to engage **53 companies by 2025** in order to **reach its target of covering 70%** of financed emissions, and **165 companies by 2030** (to reach 90% of financed emissions). In turn, **Fideuram Asset Management Ireland** must reach out to **66 companies by 2025** (70% of financed emissions) and **195 by 2030** (to cover 90% of financed emissions).

4. **Investment in Climate Solutions**, whose signatories commit to increasing their investments in environmentally sustainable activities.

In setting this target, **Eurizon considered** projects that can be financed with green bonds, estimating **that around 4%** (versus 1.53% at the end of 2021) **of all AUM could be invested in green bonds by 2025**.

Fideuram Asset Management and **Fideuram Asset Management Ireland** estimate that, **by 2025, approximately 1% and 4% of their AUM, respectively, will be invested** in projects financed by **green bonds**.

For the **Intesa Sanpaolo Vita Insurance Group**, the intermediate targets for the NZAOA fall into the following three action areas:

- 1) **Sub-Portfolio: cutting the emissions of "Direct Investments" - for the Listed Equity and Publicly Traded Corporate Bond asset classes - equal to 50% of the Carbon Intensity by EVIC by 2030**, considering 2021 as the baseline year. At 31 December 2021, AUM of €19.6 billion are subject to the target.
- 2) **Engagement: two-way discussions with the top 20 issuers, which account for about 70% of the emissions in the Insurance Group's In-Scope Portfolio** - with the end aim of evaluating, discussing and enabling their respective decarbonisation pathways and strategies. The Group will also cooperate with the NZAOA by sharing **input for collaborative position papers** on related topics.
- 3) **Financing the Transition: commitment to report annually to the NZAOA on the amount of investments supporting the green transition** (Climate Solution Reporting). At 31 December 2021, the investments supporting the transition accounted for roughly 5% of the Group's In-Scope Portfolio (Direct and Indirect Investments). Additionally, the Group will contribute to one of the Financing the Transition working groups to promote the development and awareness of new green investment solutions, reporting standards and possible new methodologies for similar issues.

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About Intesa Sanpaolo

Intesa Sanpaolo is Italy's leading banking group – serving families, businesses and the real economy – with a significant international presence. Intesa Sanpaolo's distinctive business model makes it a European leader in Wealth Management, Protection & Advisory, highly focused on digital and fintech. An efficient and resilient Bank, it benefits from its wholly-owned product factories in asset management and insurance. The Group's strong ESG commitment includes providing €115 billion in impact lending by 2025 to communities and for the green transition, and €500 million in contributions to support people most in need, positioning Intesa Sanpaolo as a world leader in terms of social impact. Intesa Sanpaolo is committed to Net Zero by 2030 for its own emissions and by 2050 for its loan and investment portfolios. An engaged patron of Italian culture, Intesa Sanpaolo has created its own network of museums, the *Gallerie d'Italia*, to host the bank's artistic heritage and as a venue for prestigious cultural projects.

News: group.intesasanpaolo.com/en/newsroom/news

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Further information about NZAMI: <https://www.netzeroassetmanagers.org/>

Further information about NZAOA: <https://www.unepfi.org/net-zero-alliance/>

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