POLICIES ON THE INTEGRATION OF SUSTAINABILITY RISKS AND INFORMATION ON THE MAIN NEGATIVE EFFECTS ON SUSTAINABILITY FACTORS IN THE PROVISION OF INVESTMENT ADVISORY SERVICES AND IN INSURANCE DISTRIBUTION

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CONTENTS

INTRODUCTION

The purpose of this document, prepared in accordance with articles 3 and 4 of Regulation (EU) 2019/2088 (hereinafter also SFDR - Sustainable Finance Disclosure Regulation), is to:

- outline Intesa Sanpaolo's (hereinafter also the Bank) policy with respect to the integration of environmental, social and governance (hereinafter also ESG - Environmental, Social and Governance) sustainability risks to which investments are exposed to and that can have a negative impact on their value and
- provide information on how the Bank considers Principal Adverse Impacts on Sustainability Factors (hereinafter also PAI) that investments themselves may have on the environment and/or society,

within the selection of Issuers, the definition of the catalog of financial products, the provision of investment advisory services in the field of investment and insurance distribution advice (hereinafter such services are collectively referred to also as "Advice").

REGULATORY FRAMEWORK

The regulation on the provision of investment services has been the subject of significant interventions by the European Union legislator related to the so-called "sustainable finance," which falls within the scope of EU initiatives aimed at directing markets and capital flows toward inclusive and sustainable growth[1].

The main innovations concern the following areas of the "investor protection" regulations under Directive (EU) 2014/65 (the so-called "MiFID II"):

- the introduction of new and specific sustainability disclosure towards the client, pursuant to the aforementioned SFDR Regulation (as amended by Regulation (EU) 2020/852, the "Taxonomy Regulation");
- the integration of clients' "sustainability preferences" into the suitability assessment of investment operations, through targeted amendments to the Delegated Regulation (EU) 2017/565;
- the consideration of sustainability-related objectives in product governance processes, through specific amendments to the provision under Delegated Directive (EU) 2017/593 applicable to manufacturers and distributors.

In particular, the SFDR Regulation was introduced as a "cross-cutting" framework integrated into various sectoral regulations, including MiFID II, with the aim of achieving a harmonized and standardized representation of sustainability information in the financial sector. This is intended to facilitate comparability and support investors in carrying out informed decisions, regarding:

- the integration of sustainability risks;
- the consideration of adverse impact on sustainability;
- the promotion of environmental or social characteristics and sustainable investments,

by placing specific transparency obligations on financial market participants and financial advisers.

THE ROLE OF SUSTAINABILITY FOR THE INTESA SANPAOLO GROUP

The Intesa Sanpaolo Group (hereinafter also the Group) is committed to strengthening its leadership in Corporate Social Responsibility, aiming to become a reference model in terms of environmental and social sustainability. This also includes the establishment - in 2024 - of the Chief Sustainability Officer Governance Area, reporting directly to the Managing Director and CEO. This area is focused on ESG matters and is dedicated to steering the Group's sustainable development strategies, with a strong commitment to social initiatives and the fight against inequalities, ongoing support for culture, and a significant contribution to sustainability through innovation projects and investments in startups.

[1] Following the adoption in 2015 of the so-called "2030 Agenda" by the United Nations for sustainable development and the related "Paris Agreement" on climate in 2016, the EU defined its strategy for achieving the objectives set forth therein. This strategy is detailed in the so-called "Action Plan: Financing Sustainable Growth" of March 2018, which was subsequently renewed through the so-called "European Green Deal," announced in December 2019.

The Group has put in place specific processes and responsibilities to understand and manage risks to ensure long-term soundness and business continuity, extending benefits to its stakeholders. The Group's approach to sustainability can be declined in the following pillars:

- support for the ESG transition to accelerate progress toward a low-emission economy, through specific financing ceilings for natural persons and businesses, and an increasingly broad range of products with sustainability dimensions;
- commitment to environment and climate with the aim of zeroing its net emissions ("Carbon neutrality") by 2030 and, in line with the adherence to the Net Zero Banking Alliance (NZBA), the Net Zero Asset Managers Initiative (NZAMI), the Net Zero Asset Owner Alliance (NZAOA) and the Forum for Insurance Transition to Net Zero (FIT), achieve net zero emissions by 2050 for loan and investment portfolios, asset management and insurance activities;
- promotion of innovation, through a constant focus on optimizing an advanced multichannel platform aimed at offering all customer segments an innovative, secure, and effective offering, along with the complete digitalization of the Group's priority processes;
- support for financial inclusion through social credit, for example by providing credit to the third sector, offering direct support to individuals who cannot access credit through traditional financial channels, financing urban regeneration, and supporting vulnerable individuals;
- attention to social needs and commitment to culture, with the aim of providing support to address social needs through, for example, programs to assist people in difficulty (expanding food and shelter programs for those in need), promoting educational inclusion and youth employability, and providing assistance to the elderly;
- focus on and valuing people, through the development and implementation of important training programs and the creation of a work environment where diversity represents a real and decisive added value.

THE INTEGRATION OF SUSTAINABILITY RISKS AND THE CONSIDERATION OF THE ADVERSE IMPACTS ON SUSTAINABILITY FACTORS INTO THE SERVICE MODEL

The Group's Guidelines on sustainability with regard to investment services

The Intesa Sanpaolo Group, in line with its commitment to sustainable economic development and in accordance with the principles outlined in the Code of Ethics and aware of the importance of allocating resources according to social and environmental sustainability criteria for long-term value creation, has adopted an internal specific regulation in relation to the governance of environmental, social and governance sustainability risks.

Within this framework, the Group's "Guidelines for the Governance of Environmental, Social and Governance (ESG) Risks" outline, with reference to these risks:

- the general principles underlying the steering and management process;
- the tasks and responsibilities of the corporate functions and control bodies involved in the governance process;
- the oversight model;
- the governance macro-processes;
- the way in which the Banks and Group Companies are directed and coordinated.

In particular, with reference to the investment services rendered to clients, these Guidelines commit the Group to:

- integrating ESG factors into investment analysis and decision-making, criteria for the selection of Issuers and investment management, including in relation to specific benchmarks;
- progressively expanding the monitoring of financial assets in terms of ESG performance as well as the extension of its proposal of sustainable financial products;
- promoting themed and impact investments, through which the Group can play an active role in helping to mitigate environmental or social problems such as the challenges of climate change, resource depletion, economic and social inequalities;
- making information to clients clear and understandable by informing them about financial products

with sustainable characteristics or investment objectives;
- offering clients an Advisory service with a high level of protection and, as part of the client profiling process, collect information on any sustainability preferences regarding investments.

The assessment of sustainability risk in the selection of Product Companies and in the Product Oversight Governance processes

In relation to the decision-making process for the selection of product companies, the Bank provides for the analysis of counterparties with respect to sustainability risk, the consideration of PAIs and adherence to relevant regulations. In this regard, the Bank analyzes the degree of compliance and implementation of sustainability issues by the companies whose products may be included in its offer catalogue, investigating the safeguards adopted by Asset Managers and Insurance Companies in relation to the following issues:
- ESG principles/codes: adherence to national and global ESG principles and/or codes (such as, for example, adherence to the Net Zero initiative, Stewardship Principles);
- governance and corporate organization: implementation of an ad hoc internal regulatory framework and definition of bodies or internal structures focused on sustainability;
- adoption of Policies for the integration of sustainability risks within investment and remuneration processes;
- sustainable product range under the SFDR: complete product documentation that is consistent with the relevant regulations, presence of any processes for updating and adapting products from a sustainability perspective, methods for making information about the sustainability characteristics of products available (for example, through the completion of the European ESG Template - EET);
- use of environmental, social, and governance terms or those related to sustainability: adoption of an internal regulatory framework aimed at ensuring the compliance of fund documentation and related marketing communications with the "*Guidelines on funds' names using ESG or sustainability-related terms*" issued by ESMA on May 14, 2024;
- consideration of PAIs, as defined within the regulatory technical standards under the SFDR Regulation.

The analysis, carried out on all existing counterparties, is performed during the "on-boarding" of the Product Company with which a new distribution or brokerage agreement is to be signed, and is formalized within the Product Governance processes. This analysis is also subject to periodic updates.

With a view to strengthening controls in terms of sustainability risks, the Bank has planned to direct and expand its offer towards financial products that promote environmental and/or social characteristics (pursuant to art. 8 SFDR Regulation), that pursue sustainable investment objectives (pursuant to art. 9 SFDR Regulation) and that consider PAIs.

To this end, as part of the Product Oversight Governance processes for the expansion of the product catalogue under Advisory, the Bank examines the pre-contractual and contractual documentation prepared by the Product Companies and any supporting commercial documentation, also with regard to the factors relevant to sustainability and compliance with the relevant regulatory provisions, with the aim of evaluating the consistency of the communicated information with the actual sustainability features of the products.

In connection with the foregoing, as part of the procedures adopted for the provision of Advisory services, the Bank shall ensure to:
- collect information from clients during profiling into their possible interest in investment solutions that value environmental, social and good governance factors;
- define internal rules for the selection of products that can be considered consistent with the sustainability preferences expressed by clients.

The consideration of sustainability factors during the profiling process

During profiling, the Bank investigates whether the client is interested in integrating financial products that take into account sustainability factors, i.e. environmental (E), social (S) and good governance (G) aspects, into their portfolio, and should the answer be positive, it detects:

- the sustainability factors (E-S-G) that the investment product shall pursue;
- the minimum percentage of the Portfolio that the client intends to allocate to those investments (25%, 50%, 75%);
- the potential willingness of the client to further define, in line with the selected sustainability factors, their interest regarding products of that type, by indicating:
  - the minimum proportion, within specific ranges, that these products shall allocate respectively to sustainable investments (pursuant to the SFDR Regulation) and eco-sustainable investments (pursuant to the Taxonomy Regulation) in order to be considered consistent with the client's sustainability preferences;
  - the PAIs categories - environmental and/or social - that these products shall consider in order to mitigate the negative effects of investments on sustainability factors.

The consideration of sustainability factors in the classification of financial products

The Bank has adopted a classification model for the financial products included in its range of offerings - applied across both primary and secondary market operations, differentiated based on the type of financial instrument:

- shares and bonds:
  - the Issuer shall comply with the following "exclusion criteria": (i) it does not produce unconventional weapons or nuclear weapons; (ii) it derives revenues from controversial sectors (such as coal mining and electricity generation from coal, tobacco products, or oil sands) below thresholds defined at the Group level; (iii) it does not have a high exposure to environmental, social, and governance risks that would result in an ESG rating of CCC[2]. If even one of these checks is not met, the instrument cannot be placed in the primary market and is classified as non-sustainable for secondary market operations;
  - the financial instrument is considered "sustainable" under the SFDR Regulation if, while adhering to the "exclusion criteria," the relevant Issuer complies with the 17 Sustainable Development Goals (SDGs) in environmental and social terms, defined by ONU in 2015. The methodology provides that the individual Issuer (and, consequently, the securities issued by them) is qualified as sustainable if at the same time at least one SDG is aligned with these goals and no SDG is misaligned, while neutral situations are acceptable[3]. It is, however, possible that an issue of an issuer rated as “non-sustainable” can be considered sustainable if it has specific sustainability characteristics, e.g. due to punctual constraints on the use of the related funding (so-called "Sustainable/Green Bonds" or "ESG Bonds"); for the purposes of classifying this type of security it is verified - provided that the "exclusion criteria" are met - that the individual issue is structured in accordance with one of the internationally recognized frameworks (such as, for example, the Green/Social Principles defined by the ICMA - International Capital Market Association);
- asset management products (UCITS, insurance based investment products and portfolio management): based on the classification provided by the manufacturers according to the requirements of the SFDR, the consistency of products with sustainability preferences expressed by the clients within the profiling process is assessed according to the following logic:
  - products classified by manufacturers under art. 8 are considered consistent with the sustainability preferences if they meet at least one of the following conditions: (i) minimum percentage of sustainable investment under the SFDR[4] consistent with the percentage selected by the client, if expressed, or, in the case where the client does not express a preference, those that present a

[2] The verification is carried out through the analysis of specific data (so-called Datapoints) provided by the information provider MSCI.
[3] The SDGs are considered: (i) aligned with the standards defined by the UN if they have a score greater than or equal to +2; (ii) misaligned with the standards defined by the UN if they have a score less than or equal to -2; (iii) neutral if their scores fall between -2 and +2 (excluding the extremes). These scores are assigned to issuers by the information provider MSCI.
[4] Calculated by considering, for each underlying issuer, the investments made by the savings product in the 17 Sustainable Development Goals (SDGs) according to the methodology defined for equity and bond securities.

percentage of sustainable investment equal to 10%; (ii) minimum percentage of eco-sustainable investment in accordance with the Taxonomy Regulation[5] consistent with the percentage selected by the client, if expressed, or, in the case where the client does not express a preference, those that present a percentage of eco-sustainable investment equal to at least 5%; (iii) consideration of at least one of the PAIs at the environmental and/or social levels, consistent with the selection made by the client, if expressed;

- products classified by manufacturers under art. 9 are considered consistent with: (i) the sustainability preferences under the SFDR Regulation, regardless of the percentage threshold that may have been selected by the client; (ii) the eco-sustainable preferences under the Taxonomy Regulation when they meet the percentage range possibly selected by the client or, if the client does not express a preference, when they have an eco-sustainable investment percentage of at least 5%; (iii) preferences related to PAIs when they align with the selection possibly made by the client;
- products classified by manufacturers as not art. 8 and 9 SFDR are always considered as not consistent with sustainability preferences;

▪ certificates: the model highlights the characteristics of both the Issuer and the underlying. At the Issuer level, it is verified whether it also respects the "exclusion criteria" and it qualifies as sustainable according to the methodology represented for shares and bonds. As far as underlyings are concerned, the methodology applied, in addition to the verification of the "exclusion criteria" already mentioned, differs depending on the type of underlying utilized time after time, the same criteria being applied as described above depending on whether the underlying consists of asset management products or of shares, bonds and related indices. On the other hand, interest rate, exchange rate or commodity indices are not considered suitable to supplement the sustainability requirement.

The suitability assessment with reference to sustainability factors

The service model envisages a check aimed at verifying the consistency between the preferences indicated by clients during profiling and the financial products included in its range of offerings or traded on the secondary market, assessing as consistent the investment transaction equivalent to or equal to the minimum percentage chosen by the client during profiling or, when lower, an increase over the initial percentage. If the operation is non-coherent, the reasons for it are explained to the client, so they can assess whether to adapt their sustainability preferences in relation to the specific operation and proceed to its conclusion.

The Bank will ensure the continuous updating of the rules and criteria described, also in consideration of regulatory developments on sustainability and the market context.

[5] Calculated based on the criteria defined by the Regulation to qualify the investments made by the managed savings product as eco-sustainable, requiring that, to be considered as such, it must contribute to achieving at least one environmental goal among six identified (climate change mitigation; climate change adaptation; sustainable use and protection of water; transition to a circular economy; pollution prevention and reduction; biodiversity protection) without causing harm to the others and in compliance with social principles.

ANNEX

1. GLOSSARY

Sustainability factors: environmental, social, and employee-related issues, respect for human rights, and matters related to the fight against active and passive corruption (SFDR Regulation).

Sustainable investment: an investment in an economic activity contributing to an environmental objective, measured, for example, by key resource efficiency indicators relating to energy use, use of renewable energies, use of raw materials and water resources and land use, waste generation, greenhouse gas emissions, as well as impact on biodiversity and the circular economy or an investment in an economic activity contributing to a social objective, in particular an investment contributing to the fight against inequality, or promoting social cohesion, social inclusion and industrial relations, or an investment in human capital or economically or socially disadvantaged communities provided that such investment does not significantly harm any of these objectives and that the enterprises benefiting from such investment follow good governance practices, particularly with regard to sound management structures, staff relations, staff remuneration and compliance with tax obligations (SFDR Regulation).

Eco-sustainable investment: investment in one or more economic activities that are considered environmentally sustainable because (i) they contribute substantially to achieving one or more of the following environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, prevention and reduction of pollution, and protection and restoration of biodiversity and ecosystems; (ii) are carried out in compliance with minimum guarantees and technical evaluation criteria; (iii) they do not significantly harm any of the above environmental objectives (Taxonomy Regulation).

Principle Adverse Impacts - PAI: represent the so-called "negative externalities" of economic activities, i.e. the effects of investment decisions and investment advice that lead to negative impacts on sustainability factors. PAIs are listed in the Regulatory Technical Standards (RTS) to the SFDR and are differentiated by the environmental and social components and divided into mandatory and optional.

Sustainability risk: an environmental, social, or governance event or condition that, if it occurs, could cause a significant actual or potential negative impact on the value of the investment (SFDR Regulation).

2. LIST OF SUSTAINABLE DEVELOPMENT GOALS (SDGS)

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. Partnership for the goals.

3. LIST AND DESCRIPTION OF PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS (PAI)

MANDATORY PAI INDICATORS		
Indicators applicable to Investments in investee Companies		
Climate and Other Environment-Related Indicators		
Type	**PAI indicator**	**Metric**
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions
		Scope 2 GHG emissions
		Scope 3 GHG emissions
		Total GHG emissions
	2. carbon footprint	Carbon footprint
	3. GHG intensity of the investee companies	GHG gas intensity of the investee companies
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total sources
	6. Energy consumption intensity per high climate impact sector.	Energy consumption expressed in GWh per million EUR of revenue of the investee companies, per high climate impact sector
Biodiversity	7. Activities negatively affecting biodiversity sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas
Water	8. Emissions to water	Tonnes of emissions to water generated by investees companies per million EUR invested, expressed as a weighted average
Waste	9. Hazardous waste and radioactive waste radio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average

Indicators for social and employee, respect for human rights, Anti-Corruption and Anti-Bribery Matters		
Social and Employee Matters	10. Violations of UN Global Compact principles and Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC Principles or OECD Guidelines for Multinational Enterprises
	11. Lack of processes and compliance mechanisms to monitor compliance with the UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC Principles or the OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap on investee companies
	13. Board gender diversity	Average ratio of female to male boards members in investee companies, expressed as a percentage of all boards members
	14. Exposure to controversial weapons (antipersonnel mines, munitions, chemical weapons and biological weapons)	Share of investments in investee Companies involved in the manufacture or selling of controversial weapons
Indicators applicable to investments in Sovereign and Supranational		
Environmental Governmental	15. GHG intensity	GHG intensity of investee countries
Social Governmental	16. Investee countries subject to social violations	Number investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles, and, where applicable, national law.
Applicable indicators in the Real Estate asset		
Real estate sector: Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investment in real estate assets involved in the extraction, storage, transportation or manufacture of fossil fuels
Real estate sector: Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investment in energy inefficient real estate assets

OPTIONAL PAI INDICATORS		
Climate and Other Environment-Related Indicators		
Indicators applicable to Investments in investee Companies		
Type	**PAI indicator**	**Metric**
Emissions	1. Emissions of inorganic pollutants	Tonnes of inorganic pollutants equivalent per million EUR invested, expressed as a weighted average
	2. Emissions of air pollutants	Tonnes of air pollutants equivalent per million EUR invested, expressed as a weighted average
	3. Emissions of ozone depleting substances	Tonnes of ozone depleting substances equivalent per million EUR invested, expressed as a weighted average
	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement
Energy Performance	5. Breakdown of energy consumption by type of non-renewable sources of energy	Share of energy from non-renewable sources used by investee companies broken down by each non-renewable energy source
Water, Waste and Material Emissions	6. Water use and recycling	1. Average amount of water consumed by the investee companies (in cubic meters) per million EUR of revenues of investee companies 2. Weighted average percentage of water recycled and reused by investee companies
	7. Investments in companies without water management policies	Share of investment in investee without water management policies
	8. Exposure to areas of high water stress	Share of investments in investee companies with sites located in areas of high water stress without a water management policies
	9. Investing in companies producing chemicals	Share of investments in investee companies the activities of which fall under Division 20.2 of Annex I of Regulation (EC) No 1893/2006
	10. Land degradation, desertification and soil sealing	Share of investment in investee companies the activities of which cause land degradation, desertification and soil sealing
	11. Investments in companies without sustainable land/agriculture practices	Share of investments in investee companies without sustainable land/agriculture practices or policies
	12. Investments in companies without sustainable oceans/seas practices	Share of investments in investee companies without sustainable oceans/seas practices or policies

	13. Non-recycled waste waste	Tonnes of non-recycled waste generated by investee companies per million EUR invested, expressed as a weighted average
	14. Natural species and protected areas	1. Share of investments in investee companies whose operations affect threatened species 2. Share of investments in investee companies without a biodiversity protection policy covering operational sites owned, leased, managed in, or adjacent to, protected areas or an areas of high biodiversity value outside protected areas
	15. Deforestation	Share of investments in investee companies without a policy to address deforestation
Green Securities	16. Share of securities not issued under Union legislation on environmentally sustainable bonds	Share of bonds not issued under Union legislation on legislation on environmentally sustainable bonds
Indicators applicable to investments in Sovereign and Supranational		
Green Securities	17. Share of bonds not issued under Union legislation on environmentally sustainable bonds	Share of bonds not issued under Union legislation on legislation on environmentally sustainable bonds
Indicators applicable in Real Estate assets		
Greenhouse gas emissions	18. GHG emissions	Scope 1 GHG emissions generated by the Real Estate assets Scope 2 GHG emissions generated by the Real Estate assets Scope 3 GHG emissions generated by the Real Estate assets Total GHG emissions generated by the Real Estate assets
Energy consumption	19. Energy consumption intensity	Energy consumption in GWh of owned real estate assets per square metre
Waste	20. Waste production in operations	Share of real estate assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling contract
Resource consumption	21. Raw materials consumption for new construction and major renovations	Share of raw building materials (excluding recovered, recycled, and biosourced materials) compared to the total weight of building materials used in new construction and major renovations
Biodiversity	22. Land artificialisation	Share of non-vegetated surface area (surfaces that have not been vegetated in ground, as well as on roofs, terraces and walls) compared to the total surface area of the plots of all assets
Indicators on social and employee, respect for human rights, Anti-Corruption and Anti-Bribery matters		
Indicators applicable to Investments in investee Companies		
Social and Employee Matters	1. Investments in Companies without workplace accident prevention policies	Share of investments in investee Companies without workplace accident prevention policy
	2. Rate of accidents	Rate of accidents in investee Companies expressed as a

		weighted average
	3. Number of days lost to injuries, accidents, fatalities or illness	Number of workdays lost to injuries, accidents, fatalities, or illness in companies expressed as a weighted average
	4. Lack of a supplier code of conduct	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour)
	5. Lack of grievance/complaints handling mechanisms related to employee matters	Share of investments in investee companies without any grievance/complaints handling mechanism related to employee matters
	6. Insufficient whistleblower protection	Share of investments entities without policies on the protection of a whistleblower
	7. Incidents of discrimination	1. Number of incidents of discrimination reported in investee companies, expressed as a weighted average 2. Number of incidents of discrimination leading to sanctions in investee companies, expressed as a weighted average
	8. Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)
Human rights policy	9. Lak of a human rights policies	Share of investments in entities without human rights policies
	10. Lack of due diligence	Share of investments in entities without a due diligence process to identify, prevent, mitigate and address adverse human rights impacts
	11. Lack of processes and measures for preventing trafficking in human beings	Share of investments in investee companies without policies against trafficking in human beings
	12. Operations and suppliers at significant risk of incidents of child labour	Share of the investments in investee companies exposed to operations and suppliers at significant risk of incidents of child labour exposed in terms of geographic areas or type of operation
	13. Operations and suppliers at significant risk of incidents of forced or compulsory labour	Share of the investments in investee companies exposed to operations and suppliers at significant risk of incidents of forced or compulsory labour in terms of geographic areas and/or the type of operation
	14. Number of identified cases of severe human rights issues and incidents	Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis
Anti-	15. Lack of Anti-Corruption and Anti-	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations

Corruption and Anti-Bribery	Bribery policies	Convention against Corruption
	16. Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery	Share of investments in investee companies with identified insufficiencies in actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery
	17. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	Numbers of convictions and amount of fines for violations of anti-corruption and anti-bribery laws by investee companies
Indicators applicable to investments in Sovereign and Supranationals		
Social	18. Average income inequality score	The distribution of income and economic inequality among the participants in a particular economy
	19. Average freedom expression SCORE	Measuring the extent to which political and civil society organizations in society can operate freely
Human rights policy	20. Average human rights performance	Measure of the average human rights performance of investee countries
Governance	21. Average corruption score	Measure of the perceived level of public sector corruption
	22. Non-cooperative tax jurisdictions	Investments in jurisdictions on the EU list of non-cooperative jurisdictions with for tax purposes
	23. Average political stability score	Measure of the likelihood that the current regime will be overthrown by the use of force
	24. Average rule law score	Measure of the level of corruption, lack of fundamental rights, and deficiencies in civil and criminal justice