

FINECO

FINECOBANK

Italian Sustainability Week 2024
Borsa Italiana

Milan, 10th September 2024

Agenda

- 1 **COMPANY'S PROFILE**
- 2 **HIGHLIGHTS, SUSTAINABILITY PRINCIPLES AND COMMITMENTS**
- 3 **ORGANIZATIONAL STRUCTURE AND ESG INTEGRATION INTO GROUP ACTIVITIES**
- 4 **SUSTAINABILITY STRATEGY**

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SUSTAINABILITY STRATEGY

Diversified business model for a sustainable growth

Fully integrated offer of Banking, Brokerage and Investing via multi-channel approach

Corporate purpose:

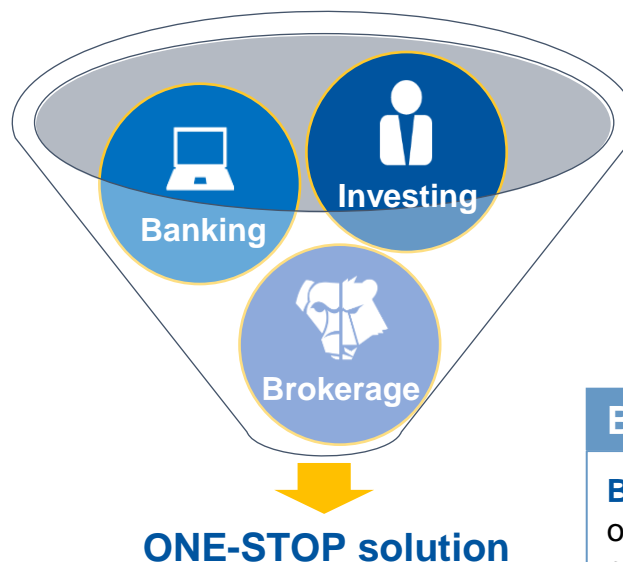
to support clients in the responsible management of their savings in order to create the conditions for a more prosperous and fairer society

● 1H24 weight on total revenues for each product area

Banking

56%

- **100%** of operations can be performed online or from apps
- Lending offered only to existing base of **retail clients (no corporates)**
- Strong focus in building a low-risk and high-quality portfolio thanks to internal IT culture and Big Data analytics



Investing

27%

- **FAM** (Fineco Asset Management, with 32.9bn TFA) key in delivering quality investment solutions for our clients
- More than **6,000** mutual funds by more than **70** Asset Managers worldwide
- Physical distribution network: **2,982** PFAs, third largest network in Italy⁽¹⁾

Brokerage

17%

Best-in-class brokerage platform giving access to wide set of global markets, bonds, ETFs, futures, derivatives and multicurrency with 20+ currencies both online and mobile

Our Key figures

TFA 1H24

€131.3 bn

with 1.6 mln clients

Net Sales 1H24

€5.0 bn

adj. Net Profit 1H24

€320.3 mln  +9.8%⁽²⁾ y/y

€308.9 mln in 1H23

adj. Cost/Income 1H24

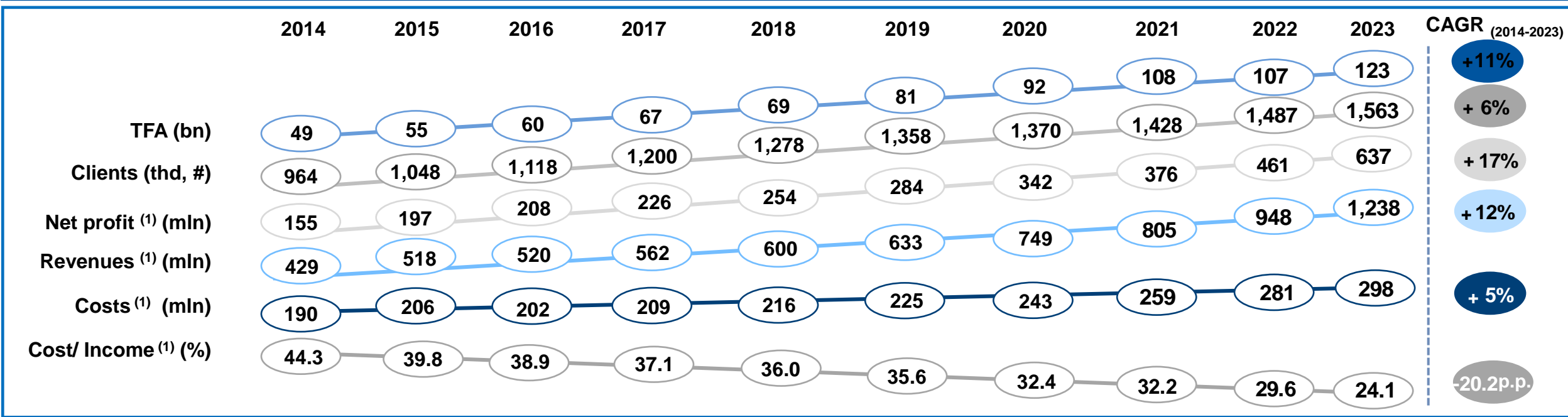
24.4%

CET1 Ratio 1H24

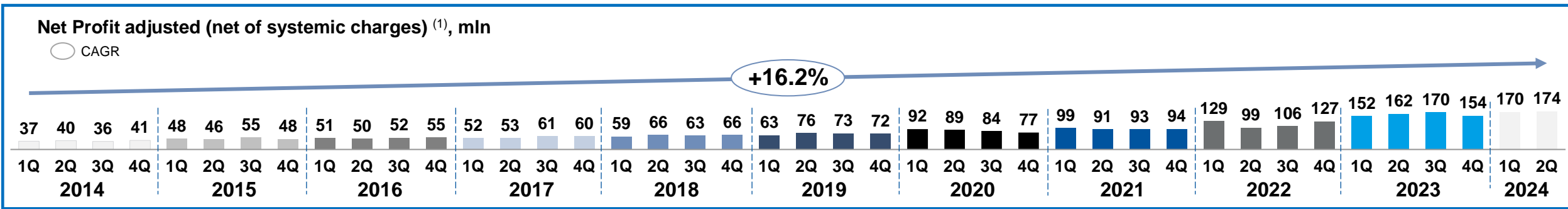
25.8%

Healthy and sustainable growth with a long term horizon

Highly scalable operating platform...



...with a diversified revenues mix leading to consistent results in every market conditions



Our Pillars as key drivers for Sustainability

We are a looking-forward organization playing for the long-run and able to generate a **positive impact for all our Stakeholders** and the society as a whole.

The keys of our Strategy leads path of sustainable growth committed to **maximize Stakeholders' value**

EFFICIENCY

- ✓ **Proprietary back-end:** in-house development and automated processes allow an efficient cost structure and fast time to market
- ✓ Strong **focus on IT & Operations** and more flexibility
- ✓ **Strong operating leverage** thanks to best-in-class operating platform and internal IT culture

INNOVATION

- ✓ **Digitization** as a main market trend and a key driver for Sustainability
- ✓ Anticipate customers need by **simplifying** their life
- ✓ Lending: strong competitive advantage leveraging on **Big Data analytics**

TRANSPARENCY

- ✓ **Fairness** and respect for all our stakeholders
- ✓ **High quality** products and services for our clients
- ✓ **Fair pricing** and no performance fees
- ✓ **Cost of funding** close to zero
- ✓ **High quality lending portfolio**, offered only to existing base of clients and low cost of risk

Total alignment with Clients' interest in the way we grow the business



CUSTOMER SATISFACTION at 97%⁽¹⁾



NO short-term aggressive COMMERCIAL OFFERS and **ZERO REMUNERATION** on current accounts



Total **ABSENCE OF PERFORMANCE FEES**



BENEFITS from **FAM SHARED WITH CLIENTS**: better quality and timely products with lower TER

Very Low UPFRONT FEES
of Investing fees



FOCUS ON ORGANIC GROWTH
Low incidence of net sales from recruiting (~11%)⁽²⁾

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Highlights⁽¹⁾ (1/2)

Our People



1,384 Employees (+48 vs 2022)
2,962 Personal Financial Advisors (+44 vs 2022)



41.9% women employees (42.2% in 2022)
58.1% men employees (57.8% in 2022)



17.8% women PFA (17.8% in 2022)
82.2% men PFA (82.2% in 2022)



99% employed on permanent contracts



82.4% Engagement Index
 (+5.6% vs 2022)



35 h average training per employee
74 h average training per Personal Financial Advisor

Our Customers



More than 1,600,000 Customers (2Q 2024)
 around **300,000** contacts per month



95.5 Score TRI*M new index
 Score of **4.8 out of 5** on Trustpilot



Financial Education: 27,903 participants in **162 events**; participation in **Financial Education Month⁽²⁾** and activated the partnership with **FEduF** (Foundation for Financial and Savings Education)

⁽¹⁾ Source: 2023 Consolidated Non-Financial Statement

⁽²⁾ The initiative, held annually in October, is organized by the Committee for Planning and Coordination of Financial Education Activities (Edufin Committee) with the aim of disseminating throughout Italy financial, insurance and pension culture through events, conferences, seminars and public meetings

Highlights⁽¹⁾ (2/2)

ESG Offer



90% funds, in terms of ISIN, have **ESG Rating** ≥ 6 ⁽¹⁾
62% of **new funds launched** in 2Q24 with ESG rating ≥ 6

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FINECO | ASSET MANAGEMENT

Funds ex Art. 8 SFDR ⁽²⁾ **70%** ISIN
 € 20.7 bn AuM

42% ISIN
 € 15.9 bn AuM

Funds ex Art. 9 SFDR ⁽³⁾ **5%** ISIN
 € 0.9 bn AuM

1% ISIN
 € 0.57 bn AuM



- **Green Mortgages** for the purchase of properties with energy class A or B, amounting to € 247 mln
- New **Green Loan** launched at the end of 2023, amounting to € 0.75mln



€ 1.9 bn of green, social and sustainable bonds in Bank's portfolio (8.8% of total portfolio)

Reducing environmental impacts



93.4% exposure in debt securities of sovereign and bank issuers with a **Net-Zero in 2050 target**⁽⁴⁾



100% electricity purchased from **renewable sources**⁽⁵⁾



-31% tCO₂e Scope 1 and 2 market-based emissions vs 2021
-29% tCO₂e Scope 3 operational emissions vs 2021



59 tons of paper saved through dematerialisation initiatives

Data related to ESG offer as of 30 June 2024, data related to environment as of 31 December 2023

⁽¹⁾ ESG Rating: internal ESG Rating ranging from 1 (minimum) to 10 (maximum). For more details please refer to our 2023 Consolidated Non Financial Statement

⁽²⁾ Funds that, in addition to other characteristics, promote environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made comply with good governance practices







⁽³⁾ Funds that have sustainable investments as their objective

⁽⁴⁾ For sovereign issuers, the source for mapping Net-Zero targets is: <https://www.climatewatchdata.org/>. In "Policy Document" and "In law" targets are accepted, while "In Political Pledge" targets are not. **10**

For bank emissions, Net-Zero targets on financed emissions are mapped.

⁽⁵⁾ The figure refers to electricity consumption related to the properties where the utilities are registered to Fineco

Sustainability performance recognised by external parties

RATING AGENCY	EVALUATION SCALE	SCORE*	
	(0-100)	68	New S&P Global ESG Score Data Availability: Very High
	(From D- to A)	C	Awareness band: Knowledge of impacts on, and of, climate issues
	(100-0)	12.1	Among the best international banks with low ESG risk
	(0-100)	81	Among the best banking services companies
	(CCC-AAA)	AA	Leader in the “diversified financials” sector
Moody's Analytics	(0-100)	59	Robust performance
	(F-EEE)	EE+	Positive Outlook

* Latest available score (31 August 2024)

ESG INDEXES

Fineco included in:







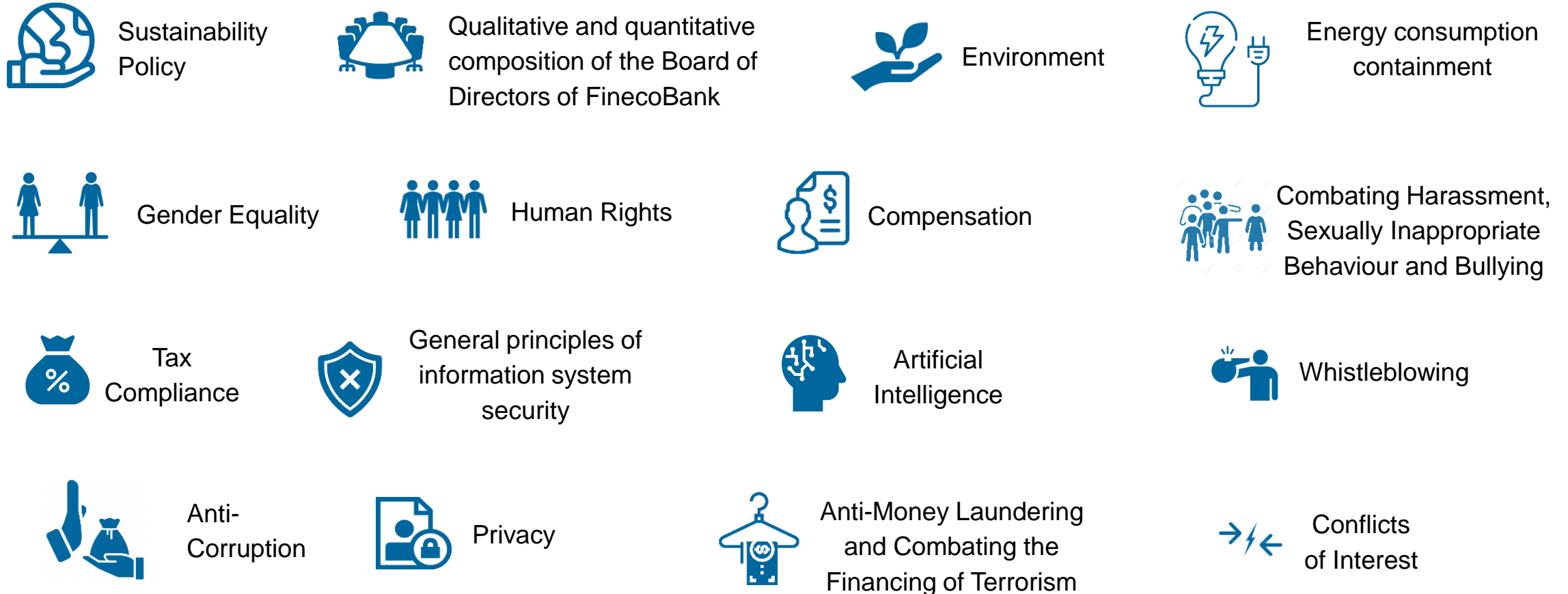


S&P Global 1200 ESG index
S&P Global LargeMidCap ESG Index

Sustainability Principles and Commitments

The orientation toward a sustainable growth is a founding element of our long-term value creation strategy.

In line with the principles and standards of conduct behind in our Group's **Code of Ethics**, **Charter of Integrity** and **Code of Conduct**, Sustainability commitments have been formalized through the adoption of a number of **policies and commitments in specific areas**:



National and international commitments subscribed



UN Global Compact is a voluntary initiative of the United Nations that promotes corporate social responsibility through respect for and adherence to **Ten Principles** concerning **human and labour rights, environmental protection and anti-corruption**

FinecoBank:
Signatory since September 2020

Fineco Asset Management:
Signatory since March 2022



The United Nations Principles for Responsible Banking are the set of measures developed by the innovative collaboration between the world's banks and the UN Environment Finance Initiative (UNEP FI) to design a **sustainable future for the banking sector**

FinecoBank:
Signatory since December 2020

Signatory of:



The membership to the United Nations Principles for Responsible Investment (PRI) initiative reinforces the commitment to the development of a sustainable financial system through **the integration of social, environmental and good governance criteria into investment practices**

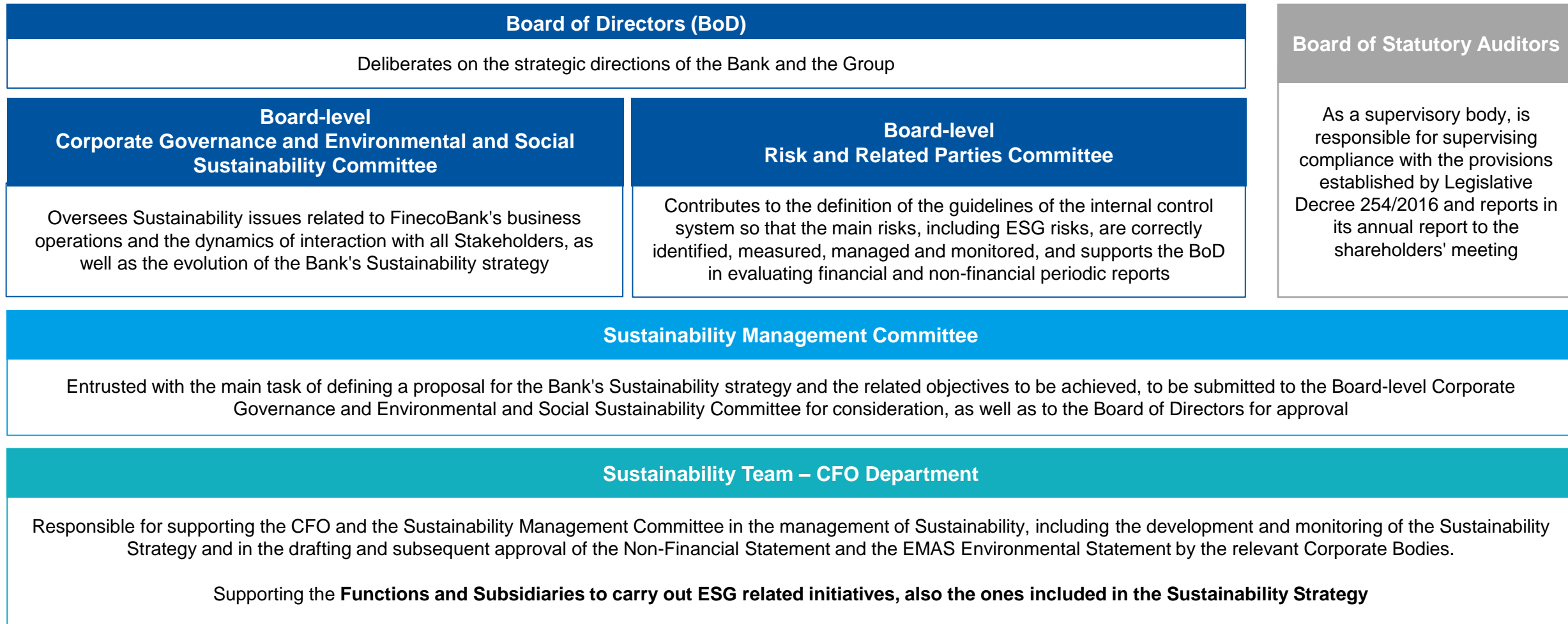
Fineco Asset Management:
Signatory since October 2020

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Sustainability Governance Structure

Since 2018, **Fineco** has integrated ESG principles into its governance, assigning specific responsibilities to governing bodies and operational functions



ESG Risk Framework

The Group **integrates ESG risks** into its **Risk Management Framework**. In line with regulatory guidance, priorities have focused primarily on the Pillar II framework, with particular reference to **climate and environmental (C/E) risks**.

RISK MANAGEMENT FRAMEWORK

RISK MAPPING

- Integration of ESG risks into the **Group Risk Map**
- **Ad-hoc focus** on ESG risks in the **Risk Inventory** focusing on **business context, the Group's risk drivers and transmission channels** with the aim of assessing the impact on the traditional risk categories already managed and monitored by the Group. Additional details on forward-looking perspectives (short, medium and long horizons).

RAF

- The **Risk Appetite Statement 2024** foresees sustainable goals such as specific details on ESG topics (product offering and financial education initiatives) and Net Zero 2030/2050 targets.
- ESG indicators integrated into the **Risk Appetite Dashboard 2023/2024**

RISK MEASUREMENT

- **ESG risk metrics**
- **ICAAP stress testing framework** includes ESG factors and reverse climate stress test
- Risk metrics and stress tests are developed in line with the main vulnerabilities identified within the annual risk inventory process
- **Credit Risk Internal Capital and IFRS9 provisioning** consider ESG risk (EPC data together with the exposure of the real estate collateral to C&E risk drivers, for determining the LGD parameter of mortgage loans)

RISK REPORTING

- **Specific sections dedicated to ESG risks** within the quarterly report on Group risk exposures

Fineco's business model is **not very sensitive to C&E** (low income dependency on key carbon intensive sectors) due to its inherent characteristics (e.g., absence of physical branches, corporate lending not envisaged, limited mortgage loans etc..)

Despite the limited exposure to ESG risks, the ESG risk focus carried out within the Risk Inventory has identified **these traditional risk categories** which might be slightly affected by C/E risks

- **Credit risk** → could be affected by the deterioration in the creditworthiness of counterparties or by the decrease in the value of real estate collateral, triggered by C/E factors (e.g., extreme weather events)(*C/E physical risk*)
- **Business risk** → could have long-term impacts due to changing customer preferences in the shift toward a low-emission economy (*C/E transition risk*)
- **Operational risk** → could be affected by damages to physical assets (including Data Centers) due to climate events (*C/E physical risk*)
- **Reputational risk** → stemming from publications regarding greenwashing scandals involving the Group (*Social risk*)

Cyber security & Antifraud

- Security strategy follows a multi-tiered approach based on deep customer knowledge, behavioral analysis and risk assessment; **vulnerability analysis** and management capabilities well defined; strong monitoring of ICT Risk at 1 and 2 levels
- Formal and comprehensive **Security Incident Response Plan**. A detailed plan with a number of different levels (governance, organization, operation and reporting) tested at least annually
- **Specific indicators** related to **losses for system failure** and **ICT incidents** are monitored in the **RAF** and in the **second-level control framework**
- Core system and security services **internally managed: ICT & Security Office Department** (CIO – 17% of total HC⁽¹⁾) with a dedicated **Anti-Fraud Team**
- In **2023**:



Over 12% of FinecoBank's technology budget **invested in cybersecurity and antifraud solutions**



>99.9% Uptime on main services⁽²⁾



Fraud rate level: official figures in bps⁽³⁾ close to zero, both for cards management and online money/wired transfers

➔ **better performance than industry benchmark**, both for banking and cards businesses



No significant losses registered for system failure



Human Resources

People constitute one of the main **Key Success Factors**: the goal that Fineco aims to achieve every day is to become “**The Place To Be**” for its staff, a workplace in which equal opportunities among employees are ensured and everyone can fully express their potential and aspirations, contributing to the success and sustainability of the business.

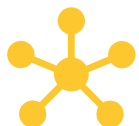
Aiming to support the “**Employee Journey**” in the organization, starting with attracting the best talent in the market and then improving the engagement and retention of our resources, Fineco is committed to:



- Continue to strengthen our **Employee Value Proposition (EVP)**, which differentiates Fineco from other companies, together with a successful **Employer brand**, through measures and initiatives specifically designed for the different population targets.
- Provide for a **total compensation approach** with the aim to attract, motivate and retain strategic resources. The remuneration strategy is based on a balance of fixed and variable, monetary and non-monetary components. Moreover, we support the well-being of employees and their families, by offering a comprehensive package of **welfare, healthcare** and **life balance** benefits.
- Invest in people **development and growth**, by creating an **inclusive and sustainable working environment**, free of any form of discrimination, and by designing **appropriate training plans and programmes** to develop and strengthen personal, professional and managerial skills as well as the appropriate competencies to allow us to maintain our competitive advantage.



Our PFA Network



The FinecoBank Network's strategy is based on the fundamental pillars of **growth**, **transparency** and **quality of customer relations**, **innovation** and **efficiency**



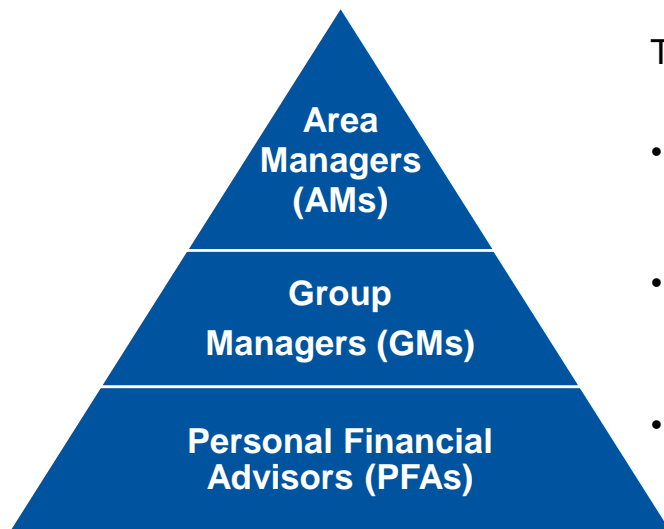
Another pillar is the Bank's **investment in junior talent**, to promote generational change in the network and update the working methods and professional culture. New PFAs are provided thorough a strong **induction process**



The selection process focuses on **qualified professionals** with proven experience



The implementation of the Network strategy is always based on **listening to the needs, suggestions and ideas originating from the advisors**, who have direct contact on the community and are more aware of customer expectations



The Network, the third largest in Italy in terms of total financial asset⁽¹⁾, is organised on **three levels**:

- **AMs are the most senior role** in the Network and are mainly dedicated to **promoting business development** and **coordinating staff** in the geographical areas assigned to them
- **GMs are the intermediate role** in the Network, who, in addition to **managing customers**, have the managerial task of **coordinating the PFAs within local areas**
- **PFA's represent the base of the pyramid** and are the people almost exclusively responsible for the customer management

Supply Chain



Suppliers who invoice FinecoBank for a total annual amount of €25,000 or more (including VAT)⁽¹⁾ are required to submit an **ESG Questionnaire**. The process enables the **monitoring of any risks related to the procurement process**, mainly related to the possible selection of suppliers involved in illegal operations or who have been involved in disputes regarding social responsibility



In 2022, FinecoBank signed an Agreement, in force throughout 2023, with nationwide supplier of electricity and natural gas, according to which:



- the electricity supplied comes from **100% renewable sources**
- methane gas is **100% CO₂ free**, thanks to the purchase of an amount of **certified carbon credits** that allows for full offsetting of the carbon dioxide generated

All PFAs who own an electric utility in the Fineco Center can join the Agreement for the supply of 100% renewable electricity at the **same contractual and economic conditions** applied to Fineco



As for the procurement of image processing devices (i.e., printers, multifunctional devices, scanners, professional image processing product), specific guidelines has been adopted in tender specifications that include **green procurement criteria** based on best practices and EU GPP criteria⁽²⁾



Environmental management at FinecoBank

As part of the Environmental Policy, numerous commitments on environmental management involve the Bank and the PFA Network



Environmental Management System, certified by a third-party independent auditor in compliance with the requirements of the European [EMAS Regulation no. 1221/2009/EC](#) and implemented throughout **the whole perimeter** of the offices, i.e., corporate offices, Data Processing Centers and the entire Network of Fineco Centers throughout Italy which has been renewed in June 2024. In 2023 FinecoBank received the award in the category dedicated to the most effective and innovative initiatives in the use of the EMAS logo in corporate communication



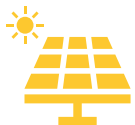
Adoption of a **Global Policy on Reducing Energy Consumption** and appointment of an **Energy Manager** in charge of the coordination of **energy efficiency initiatives**



Adoption of **sustainable mobility initiatives** for employees



Implementation of an **Environmental Internal Audit Plan** covering the **whole Fineco Center Network** in Italy
➔ **Over 70 audited sites** per year



Installation of **photovoltaic panels** at the Milan head office



Support to the entire PFA Network with the provision of a **Vademecum for Efficient and Effective Environmental Management** and related **ongoing helpdesk**

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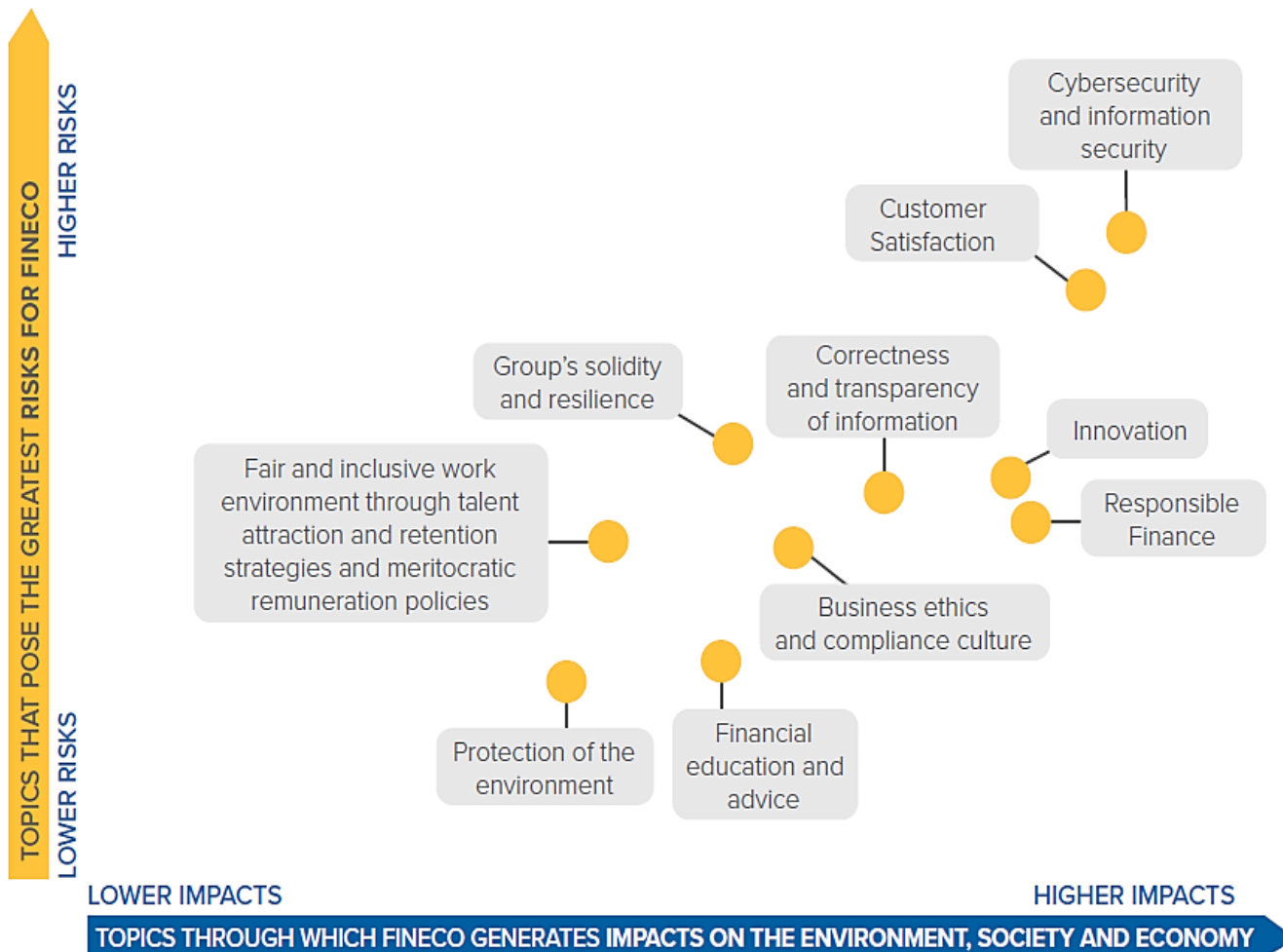
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SUSTAINABILITY STRATEGY

Materiality Analysis

In 2023, analyses reconfirmed the relevance and validity of the 10 material topics defined in 2022

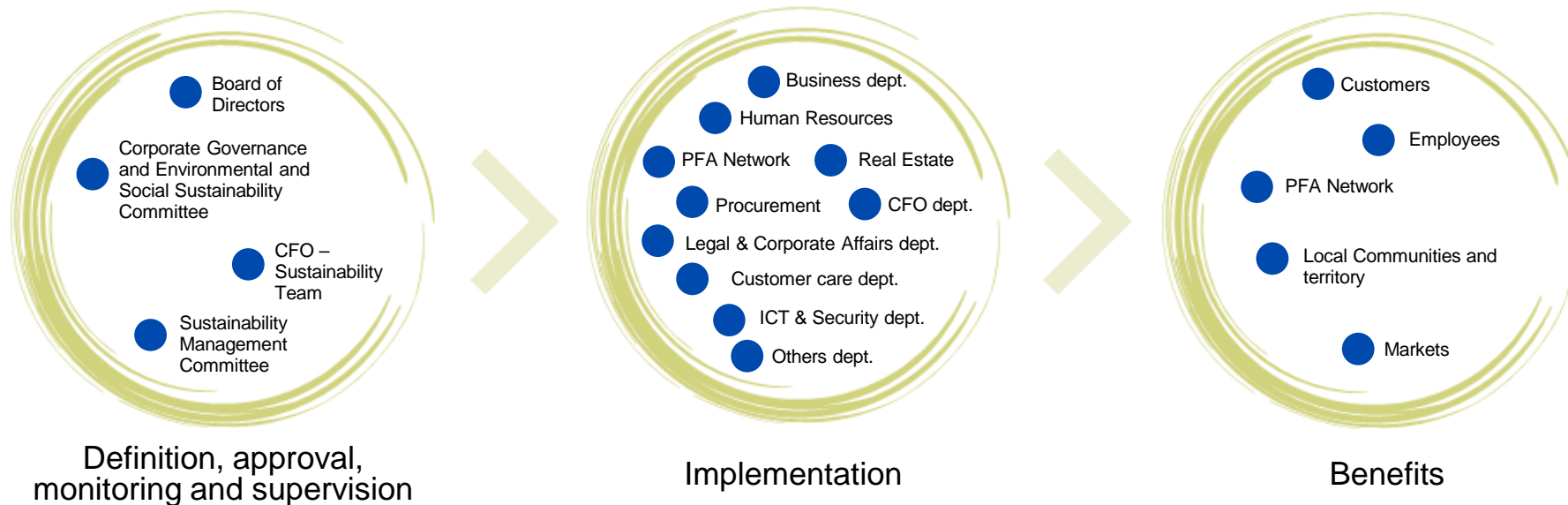
In line with regulatory developments, in 2024 the **Double Materiality Analysis** introduced by **CSRD** has been carried out, in order to identify and assess impacts, risks and opportunities and define material topics for the Fineco Group



New Sustainability Strategy: further improving our accountability

At the end of December 2023 all the goals of the Multi Year Plan ESG 2020-2023 were achieved.

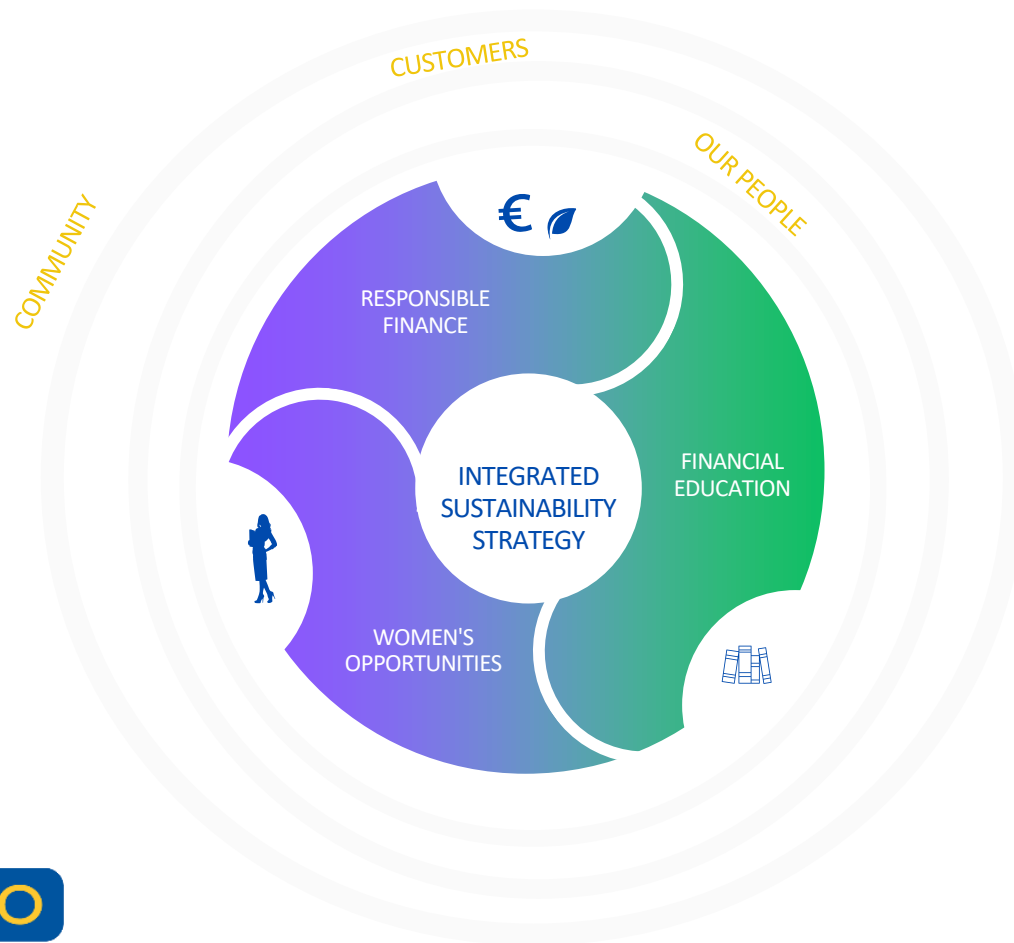
In order to ensure an increasing integration of ESG aspects within our Strategy, the Board of Directors approved a second set of **sustainability goals to be pursued in the years 2024-2026 (MYP ESG 24-26)**, fully integrated in the Group's Strategy and regarding **7 areas**:



Benefits of integrated sustainability strategy

The sustainability strategy fully integrated in the 2024-26 Multi-Year Plan sets the Group increasingly ambitious and challenging goals to combine business growth and financial strength with social and environmental sustainability, creating long-term value for all stakeholders.

In the figure below, we represent the main goals of our ESG Strategy.



A responsible approach to financial decisions is possible when:

- ESG dimensions are a fundamental part of the education process involving clients and financial advisors
- products and services are designed by a company that pursues principles of fairness, equality and equal opportunities.

The main benefits of the Strategy impact the clients, the communities in which Fineco operates, the employees and the financial advisors who are also committed to its pursuit.

Sustainability Strategy 2024-2026: our main goals (1/2)

RESPONSIBLE FINANCE

- **Enlargement of the offer** with ESG characteristics within the platform
- Integration of ESG criteria in the **PFA's Incentive Plan**
- Increase activities and offering related to **financial inclusion**
- Increase coverage of green and social bonds in **Bank's portfolio**

DIVERSITY & INCLUSION

- Definition of an awareness plan for external and internal stakeholders on D&I with at least 13 contents in the three-year period and an internal survey on these issues
- Implementation of measures to **support parenting** and **work-life balance**
- Increase the percentage of the least **represented gender** in the organisation in leadership roles and decrease the **gender equity pay gap**
- Strengthening the **Youth Project** of the PFA Network
- Increase the focus on **gender diversity** also within the PFA Network
- Specialised **accessibility training** for designers to support the development of digital products and services accessible to all users

FINANCIAL EDUCATION AND ADVICE

- Increase **training on ESG topics for PFA Network**
- Realisation of events and new videos on **financial education**
- Launch of a current account dedicated to **minors**
- Realisation of **customer events in the territory with ESG focus** organized with the PFA Network
- Support education through granting of **scholarships**

Sustainability Strategy 2024-2026: our main goals (2/2)

CUSTOMER SATISFACTION

- Maintenance of a threshold of 90 points on annual basis for the **Tri*m Index**
- Improvement of the **user experience** and **user interface** through the development of new services

ESG GOVERNANCE

- Maintenance of **international commitments**
- Definition of **ESG Ambassadors**
- Adoption of **new policies** (i.e. GP Artificial Intelligence; Fineco AM Active Stewardship and Voting Policy)

ENVIRONMENT AND SUPPLY CHAIN

- **Net Zero Emissions Commitment by 2050**
- Modernisation of **the car fleet** with 100% of hybrid/electric cars
- Replacement of at least 50% of the plastic card stock with recycled **PVC cards**
- **Digitalization**: increase the use of digital solutions by PFAs and digitalization of 90% of the contractual documents
- **Supply Chain**:
 - adoption of guidelines for the PFA Network to select suppliers with ESG characteristics for the organisation of events using gadgets with eco-friendly characteristics
 - elimination of plastic products on company premises
 - training on green and sustainable procurement for the Procurement Office staff
 - environmental audits performed on the companies contracted for global services on Fineco Centers over 2024-2026

CHARITABLE DONATION, PARTNERSHIP AND RELATIONS WITH THE TERRITORY

- Ongoing **community support** through charity campaigns and emergency response initiatives
- Activation of **partnerships** to support culture and the valorisation of historical and artistic heritage and for the protection of the environment and territory
- Strengthening of **ESG partnerships** by **Fineco AM** through new subscription of external initiatives



Focus – Commitment towards Net-Zero emissions by 2050

RESPONSIBLE FINANCE - Scope 3 emissions from internal investment portfolio



Exposure in countries, institutions and banks: > 70% of 2021 Total Consolidated Assets



% exposure in debt securities of **sovereign and bank issuers with a Net-Zero target** by 2050⁽¹⁾

64.5% → 95%⁽²⁾ → 100%

ENVIRONMENT - Scope 1, 2 and Scope 3 emissions from operations



Scope 1 – CO₂e from energy consumption of Milan registered office and of the Fineco Centers with utilities in the Bank's name; CO₂e from fuel for company car fleet

410 tCO₂e → - 55%

Scope 2 (market-based) - CO₂e from energy consumption of Milan registered office and of the Fineco Centers with utilities in the Bank's name

- 90% and neutralisation of residual emissions

Scope 3 - CO₂e from paper consumption of all sites; CO₂e from energy consumption of Reggio-Emilia Headquarters, of Fineco AM's Dublin office, of the Data Processing Centers and of the Fineco Centers with utilities in the Personal Financial Advisors' name

1,336 tCO₂e → - 20%

- 90% and neutralisation of residual emissions

⁽¹⁾ For the sovereign issuers, the source for mapping Net-Zero targets is: <https://www.climatewatchdata.org/>. In "Policy Document" and "In law" targets are accepted, while "In Political Pledge" targets are not accepted. For bank issuers, Net-Zero targets on financed emissions are accepted.

⁽²⁾ Target subject to formalisation of Net-Zero commitment in a national policy document by Italy.



Focus – Gender Diversity

With particular reference to the gender diversity, Fineco achieved the **Italian Gender Equality Certification** pursuant to Law no. 162/2021 and Reference Practice UNI:125/2022, which certified the commitment to a fair and inclusive working environment based on equal opportunities.

Within the scope of the Certification, in addition to the **Global Policy on Gender Equality**, already adopted to enhance diversity and ensure equal opportunities in the workplace, a **Management System for Gender Equality**, overseen by a dedicated **Steering Committee**, has been defined.



Furthermore, a **Plan for the three-year period 2024-2026** with measurable objectives for each of the following areas was approved:

- ✓ Culture, strategy and governance;
- ✓ Supporting parenting and work-life balance;
- ✓ Opportunities for growth and inclusion of the least represented gender in the company;
- ✓ Gender Pay Equity.

In order to increasingly foster a culture of diversity and inclusion within the organization, the afore-mentioned objectives were included in the **2024-2026 ESG Multi-Year Plan** and in the new **2024-2026 Long term incentive Plan** for employees.

Implementing the Plan, we have already introduced **several measures** to promote a D&I culture and support parenting and work-life balance, such as a **supplementary allowance** for parental leave and **paid permits** for placement in daycare or kindergarten, as well as **communication and training contents** such as guidelines on inclusive language and mandatory training course on gender diversity.



Focus – Remuneration and ESG Strategy

The Remuneration Policy is consistent with corporate values and objectives, including ESG factors.

Short term incentive system

The **2024 Scorecard of the CEO and General Manager** as well as that of the other Identified Staff, includes sustainable goals related to the capacity of generating medium-long term value for all the stakeholders. In particular, the goal **“Stakeholder Value” declines ESG targets** in alignment with 2024-2026 ESG Multi Year Plan.

Long term incentive system

In line with 2024-2026 ESG MYP, the new long-term incentives system (**2024-2026 LTI Plan**) for employees, includes among its performance drivers three ESG KPIs related to achievement of **Diversity, Equity and Inclusion** goals, **Scope 1 and 2 emissions** reduction and enlargement of the ESG product offering with articles **8 and 9 SFDR funds**.

2024 CEO Scorecard – Stakeholder value

WEIGHT	GOAL NAME	REFERENCE TARGET 2024
15%	Stakeholder Value	At least 50% of new funds with a Fineco ESG rating ≥ 6 entered in the platform in 2024 on total new funds entered (ISIN)
		Customer satisfaction ≥ 90 points
		EMAS Registration Renewal, which includes the achievement of the Environmental Program goals.

LTI 2024-2026 Performance goals - Stakeholder value

GOALS	KPIs	WEIGHT	TARGET	ASSESSMENT CRITERIA	
				Threshold	Payout
STAKEHOLDER VALUE	Scope 1 and Scope 2 emission reduction (market-based)	5%	EOY 2026	$\geq 55\%$	100%
				$< 55\%$	0%
	Achievement of Diversity, Equity & Inclusion goals	5%	EOY 2026	all sub-goals need to be achieved	
	Enlargement of the ESG product offer: % new funds ex artt. 8 and 9 SFDR	5%	EOY 2026	≥ 50	100%
				< 50	0%



Focus – Fineco AM: add value to our Sustainability Strategy

Milestones 2023 - 2024

- Appointment of **first Head of Sustainability** Role within the Company
- First annual reports** submitted to, respectively, **UN PRI and UN Global Compact** organisations
- First roll out of **European ESG Template** with the Distributor
- Adoption and publication of **first Sustainable Investment Methodology**
- Publication of second Fineco AM **PAI (Principal Adverse Impacts) statement** and reporting in June 2024
- 99 funds** classified as Art. 8 and 9 SFDR
- Total **AUM 1H24: € 32.9 bn**
- Introduction of **PAI Indicators analysis** on a quarterly basis by ESG analyst on all portfolios
- Introduction of first ESG **collective engagement (UN PRI Advance and Climate Action 100+)** and **voting practices for equity funds**
- Publication of second **Annex IV and V reports** to financial statements for Art. 8 and 9 SFDR
- Continuous **sustainability education** and training throughout the organisation to ensure best in class application
- Green initiatives:** AI x Girls 2024 and (Irish) Fund Industry Climate Challenge 2024

Commitments 2024

- Publication of **voting history and voting policy on website**
- Introducing **diversity and inclusion policy**
- Introducing **engagement policy**
- Becoming a signatory of **Women in Finance, Ireland**
- Implementing **second line monitoring on PAI indicators** analysis
- Expanding sustainability education** for staff and directors



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THANK YOU

