

# EQUITA CAPITAL SGR

Climate Report 2025



## Summary

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## Introduction

EQUITA Capital SGR (hereinafter "EQUITA SGR", the "SGR" or the "Asset Manager") is the asset management company of the EQUITA Group (hereinafter "EQUITA" or the "Group").

As part of its broader commitment to sustainability, the EQUITA Group introduced a Corporate Social Responsibility (CSR)<sup>1</sup> Framework in 2019, which defines the Group's core sustainability principles. The Group's activities are guided by the principles, values, and rules set out in the Ethical and Conduct Code, which, since November 2022, also formally incorporates sustainability-related matters in line with the CSR Governance Framework.

In 2025, the EQUITA Group conducted its double materiality assessment for the first time<sup>2</sup>. While Climate Action was not identified as a material topic, it was confirmed as one of the key sustainability matters for the Group. In this context, the Group has strengthened its commitment to climate action by increasing transparency through the monitoring of its carbon footprint and by implementing initiatives aimed at mitigating environmental risks, adopting a prudent and responsible approach to climate-related challenges.

At the Asset Manager level, since the beginning of its operations, EQUITA SGR has adopted a responsible investment approach<sup>3</sup>, driven by the belief that the integration of environmental, social, and governance (ESG) factors is essential to creating long-term value.

This commitment has resulted in several initiatives designed to further embed sustainability into our activities, including:

- the establishment of an **Environmental, Social and Governance (ESG) Committee** at SGR level;
- the adoption of a **Responsible Investment Policy**<sup>4</sup>, incorporating ESG objectives, most recently reviewed and updated in December 2025;
- the adoption of an **ESG Engagement Policy**<sup>5</sup> in July 2025;
- the appointment of a dedicated **ESG Specialist** at SGR level, working in coordination with the SGR's ESG Ambassador and the ESG Officers of the EQUITA Green Impact Fund (EGIF) to ensure ESG integration becomes a business-as-usual activity;
- the development of **an internal procedure for the monitoring of Principal Adverse Impacts** (PAIs) across all Assets under Management (AuM);

- the approval of a comprehensive ESG training plan for employees, board members, and statutory auditors, including dedicated sessions on ESG risks;
- the development of action plans at both EQUITA SIM<sup>6</sup> and SGR levels to integrate climate and environmental risks, in line with the requirements of the Bank of Italy;
- the execution of targeted ESG reviews through the Group's control functions;
- the publication of **EQUITA Capital SGR's first sustainability report**<sup>7</sup>.

Another element of the Asset Manager's commitment to climate action is the strengthening of its climate risk management framework, including **the implementation of a climate scenario analysis for the first time, based on 2025 data**. The results of this analysis are presented in the following sections of this report.

As part of our ongoing commitment to sustainability, in line with the Group's sustainability philosophy, EQUITA SGR has endorsed the recommendations of the **Task Force on Climate-related Financial Disclosures (TCFD)**<sup>8</sup> as well as the **IFRS Climate-related Disclosure Standard (IFRS S2)**<sup>9</sup>. This report describes the actions undertaken to progressively integrate these frameworks into the Asset Manager's business model.

<sup>1</sup> Please consult our [webpage](#).

<sup>2</sup> For further details, please consult the [2025 Sustainability Report](#) of the EQUITA Group.

<sup>3</sup> For more information, please refer to our [webpage](#).

<sup>4</sup> You can find our Responsible Investment Policy [here](#).

<sup>5</sup> You can find our ESG Engagement Policy [here](#).

<sup>6</sup> For more information about EQUITA Group, please consult our [website](#).

<sup>7</sup> You can find our 2025 Sustainability Report [here: 2025 Sustainability Report](#)

<sup>8</sup> <https://www.fsb-tcfd.org/>

<sup>9</sup> IFRS - International Sustainability Standards Board

## Governance

Acting as a responsible financial institution is fundamental to **EQUITA**. Our governance structure addresses the challenges associated with this philosophy. The responsibilities related to achieving the objectives outlined in our Responsible Investment Policy are reflected in the organization of the supervisory and management bodies, as well as in our operating model.

In 2022, the Asset Manager established a Responsible Investment Policy. The implementation and adherence to this policy are overseen by **EQUITA SGR**'s Chief Executive Officer, who is responsible for its supervision and overall execution, supported by the ESG Committee. This body, which has advisory and propositional authority, has been nominated by the Board of Directors of **EQUITA Capital SGR** and comprises the following voting members:

- the Board Member with delegated authority for Private Debt Management, who also serves as the Chief Executive Officer (CEO) of the SGR and holds the position of Chairperson;
- the Board Member with delegated authority for Portfolio Management, who also serves as Vice Chairperson of the SGR;
- the Board Member with delegated authority for Private Equity;
- the EGIF ESG Officer;
- the ESG Specialist of the SGR.

In addition to these voting members, the following individuals, who do not have voting rights, are included:

- One ESG Ambassador
- Head of Compliance
- Head of Risk Management (RM)

## Key Responsibilities

Formulating and evaluating proposals impacting the ESG strategy

Ensuring compliance with the Sustainable Finance Disclosure Regulation (SFDR) obligations, with the support of the compliance department

Identifying and assessing material ESG risks and opportunities, including those related to climate, with support from the Risk Management team

Prioritizing and monitoring the implementation of ESG initiatives at portfolio company level and assessing and monitoring the need for revising the Responsible Investment policy

Monitoring the UN Principle Responsible Investment (UN PRI) questionnaire reporting obligations

Identifying the need for ESG training at AIFM and portfolio company levels and defining training sessions

The key role of the ESG Committee is to foster accountability within the organization for the implementation and monitoring of ESG policies. At the portfolio company level, the board of directors and senior management are responsible for defining the company's ESG strategy. They receive full support from **EQUITA SGR**'s investment teams and are committed to providing appropriate disclosures on ESG matters. The role of the ESG Specialists, including the ESG Ambassador and the EGIF ESG Officer, is crucial in reporting any critical issues related to ESG and climate risks to the ESG Committee of the SGR, ensuring that these issues are discussed and addressed as part of the Committee's activities



## Strategy

As Italy's leading independent investment bank and a recognised point of reference within the financial sector, the EQUITA Group acknowledges its responsibility to operate in a sustainable and transparent manner. This role entails a continuous commitment to balancing economic competitiveness, environmental sustainability, and social responsibility, with the objective of creating long-term value for all stakeholders and actively contributing to the achievement of the **United Nations Sustainable Development Goals (SDGs) set out in the 2030 Agenda**<sup>10</sup>.

Sustainability represents a strategic driver for EQUITA and is fully integrated into the Group's business model and decision-making processes. Rather than being a supplementary element, sustainability constitutes a cross-cutting approach that underpins the Group's long-term vision, consistent with its role as a financial intermediary and a responsible steward of capital.

This vision is translated into a defined sustainability strategy structured around five macro-objectives, which guide both day-to-day activities and strategic decisions towards the generation of positive and lasting impacts. These objectives represent the key areas on which resources and efforts are concentrated, ensuring an effective balance between economic growth, social well-being, and environmental protection:

1. **Promotion of employee well-being**, through concrete corporate welfare initiatives and the development of structured career paths for young talents.
2. **Enhancement of client and financial community satisfaction**, through the delivery of high-quality services, with a strong commitment to promoting and strengthening relationships with clients and the broader financial community.
3. **Promotion of the social and economic development of the community**, via cultural, social, and educational projects promoted by the EQUITA Foundation and through partnerships with universities, associations, and non-profit organisations.
4. **Young4Future**, a strategic commitment dedicated to the growth of younger generations both within and outside the organisation, with a focus on education, inclusion, and professional development.
5. **"Climate Action"**, achieved through the monitoring of the Group's carbon footprint and the implementation of initiatives aimed at mitigating environmental risks, adopting a prudent and responsible approach to climate-related challenges.

In line with the Group's broader sustainability framework, EQUITA SGR's investment strategy is grounded in its Responsible Investment Policy, approved by both the ESG Committee and the Board of Directors and regularly

<sup>10</sup> <https://sdgs.un.org/goals>

reviewed to reflect regulatory developments, sustainability trends and market dynamics. The most recent update was completed in December 2025.

In 2025, EQUITA SGR further strengthened its sustainability commitment through several key initiatives, including the appointment of a dedicated ESG Specialist, the formal adoption of an ESG Engagement Policy and the publication of its first Sustainability Report, aimed at enhancing transparency for stakeholders.

As a signatory to the **United Nations Principles for Responsible Investment (UN PRI)**<sup>11</sup>, EQUITA SGR aligns its investment activities with the six PRI principles. While specific climate targets at SGR level have not yet been formally defined, climate-related developments are closely monitored and progressively integrated into investment strategies and processes.



<sup>11</sup> <https://www.unpri.org/>

## Our investment approach

### Public market funds

#### Before the investment

The portfolio management team is responsible for the integration of ESG factors in the stock selection process (portfolio allocation). To pursue this objective, a risk-based screening is performed by the portfolio management team relying on **MSCI ESG rating**<sup>12</sup> to complement the internal analysis (analysis of publicly available information on the issuers – e.g., non-financial disclosure reports).

Our responsible investment process requires the assessment of the identified material ESG factors alongside traditional financial factors when forming an investment decision about a specific company or the overall portfolio structure. This integration process involves a 2-steps analysis:

- **Security research:** identifying material ESG issues (incl. potential climate risks) that might impact equity valuations.
- **Portfolio allocation:** assessing the potential impact of a company inclusion on the overall portfolio ESG rating.

All the portfolios<sup>13</sup> managed by the team must meet the following minimum conditions:

- **an MSCI rating equal<sup>14</sup> or above BBB<sup>15</sup>**
- **a maximum of 20% aggregate exposure to instruments either (i) without an MSCI ESG rating, or (ii) issued by non-European entities with a rating below BBB**
- **a maximum of 15% aggregate exposure in companies that generate at least 50% of their revenues from defence activities**, provided that such activities fully comply with applicable international, European, and national regulations governing defence and security<sup>16</sup>.

The Portfolio Management Team is responsible for applying these criteria, where necessary with the support of EQUITA SGR's ESG Specialist.

For further details on the investment strategy applicable to public market funds, please refer to the Responsible Investment Policy, available at the following link: [equita-capital-sgr\\_responsible-investment-policy.pdf](#)

<sup>12</sup> <https://sdgs.un.org/goals>

<sup>13</sup> Excluding derivatives, ETFs and Government Bonds.

<sup>14</sup> Calculated as the weighted average of individual stock ratings.

<sup>15</sup> Or any equivalent rating.

<sup>16</sup> Relevant international frameworks include: the Ottawa Treaty (Anti-Personnel Mine Ban Convention); the Convention on Cluster Munitions; the Chemical Weapons Convention; the Treaty on the Non-Proliferation of Nuclear Weapons.

#### During the holding period (monitoring)

During the holding period, the Portfolio Management Team is responsible for monitoring the portfolio's ESG rating on a quarterly basis. If, at any assessment date, the portfolio does not meet the minimum ESG rating requirements, the Portfolio Management Team is required to implement the necessary remedial actions to restore compliance with the defined thresholds within two months of the assessment date. Investments related to the defence sector are subject to enhanced scrutiny throughout the holding period.

In addition to the monitoring activities performed by the Portfolio Management Team, the Risk Management function conducts periodic independent checks to verify compliance with the first two minimum conditions related to MSCI ESG ratings, as outlined above.

### Private market funds

#### Before the investment

All potential investments are subject to a comprehensive and multidimensional screening process to ensure alignment with the Asset Manager's Responsible Investment Policy. The portfolio management team applies a proprietary ESG pre-screening questionnaire, which incorporates specific metrics on climate-related risks, to verify that target companies are not involved in sectors included in the exclusion list and to assess a range of additional ESG factors. For infrastructure assets, the process also includes a dedicated climate screening exercise.

At a minimum, the exclusion list covers companies involved in illegal economic activities, tobacco production, firearms, gambling, pornography, certain electronic data technologies, and extractive activities related to thermal coal. Investments associated with human cloning or genetically modified organisms (GMOs) are also not allowed. Particular attention is given to defence-related activities. Any activities that violate international, European or national regulations, including those governing defence and security, are excluded. Moreover, any activity directly or indirectly linked to controversial weapons—such as nuclear, biological or chemical weapons; landmines; cluster munitions; anti-personnel mines; depleted uranium; white phosphorus; blinding laser weapons; or non-detectable fragments—is automatically excluded and cannot be considered, even at the preliminary screening stage.

This rigorous screening framework ensures that investments comply with applicable legal and ethical standards while supporting sustainable and responsible business practices. In addition, companies operating in sectors that fail to comply with national or international norms are automatically excluded from the investable universe.

For further details on the exclusion criteria, please refer to the Responsible Investment Policy, available at the following link: [Responsible Investment Policy](#).

After the screening phase, we conduct an **ESG materiality analysis** based on the target's characteristics to identify potential material ESG topics. This is done using **the Sustainability Accounting Standards Board (SASB)**'s sectoral approach, with internal analysis and proprietary tools where applicable. This step helps identify the environmental and social factors that each investment company promotes.

A **preliminary maturity assessment** is then carried out to evaluate the target's ability to manage these identified ESG topics. This includes ESG Due Diligence and interviews with the target's management to determine an ESG risk score, which captures the target's preparedness in addressing material sustainability risks, including climate-related aspects. If potential ESG risks are identified, a thorough ESG Due Diligence assessment is conducted, often with the support of external consultants, to evaluate the target's maturity in managing ESG issues and uncover potential opportunities.

The results of these analyses, including risks and mitigation measures, are summarized in the Investment Memorandum and discussed during Investment Committee meetings, contributing to an informed investment decision that incorporates both financial and ESG considerations.

#### During the holding period (monitoring)

ESG criteria, including relevant climate-related considerations, are systematically integrated into the ongoing assessment of portfolio companies throughout the holding period. On a semi-annual basis, the Portfolio Management Team monitors the ESG performance of the portfolio to ensure continued compliance with the defined minimum risk-based criteria.

In parallel, the Risk Management (RM) function performs periodic independent controls to verify adherence to the negative and norm-based screening criteria previously described. For infrastructure investments, a dedicated Infrastructure Investment Team plays an active role in the ongoing management and monitoring of the key ESG topics identified during the initial investment phase.

To support effective monitoring, the investment team receives a customised ESG Data Collection and Monitoring report from portfolio companies. This reporting framework is tailored to each company's material ESG topics and relevant key performance indicators (KPIs) and is designed to track, in particular:

- Principal Adverse Impacts (PAIs) on sustainability factors, as defined in Tables 1, 2 and 3 of Annex I of the Commission Delegated Regulation (EU) adopted on 6 April 2022;
- Specific ESG KPIs related to the environmental and social characteristics promoted by the company and,

where applicable, the implementation and progress of an ESG Action Plan for financial products classified under Article 8 and Article 9 of the Sustainable Finance Disclosure Regulation (SFDR).

All monitoring activities conducted during the holding period are carried out in accordance with the Asset Manager's ESG Engagement Policy<sup>17</sup>.

### The exit process

**EQUITA SGR** recognizes the importance of improving the ESG profile of portfolio companies to maximize the value of assets at the exit. Specifically, the investment team assesses the ESG improvements achieved during the ownership phase by each portfolio company, compared to the performance evaluated during the pre-investment phase. An analysis of ESG best practices implemented, targets achieved, KPIs monitored, and, where applicable, an ESG Due Diligence is compiled into material to be shared with potential investors.

Additionally, the investment team acknowledges that enhancing the ESG profile of portfolio companies contributes to their sustainable growth, which in turn improves their ability to meet financial obligations. This focus on ESG performance is key to ensuring long-term value across the portfolio.

<sup>17</sup> You can find the ESG Engagement Policy here.

## The Risk Management process

**EQUITA Group** has established a dedicated Risk Management (RM) Function, which operates independently from the company's operational units, both hierarchically and functionally. One of the key responsibilities of the RM Function is to identify, evaluate, and monitor risks associated with **EQUITA Group's** activities, including **ESG risks**. In collaboration with the ESG Committee, the RM Function has developed a tailored risk management process for all investment products under management.

Specifically:

- **Investments within the Public Market** are also subject to environmental and climate risks, which could have a potentially material impact; however, the impact is mitigated by the nature of these investments, such as higher liquidity and lower concentration relative to individual holdings.
- **Investments in the Private Market** are subject to environmental and climate risks, which may have a material and direct impact on both the managed fund and the SGR. These climate-related risks stem from the high concentration of individual holdings and the inherently low liquidity of such investments.

Below is a detailed description of our current risk management process.

### Public market

With reference to all **Investments within the Public Market**, the Risk Management Function has integrated sustainability factors within the risk management framework. Specifically, in the weekly monitoring reports produced by the Function, the consistency of the current equity investments with the criteria set out in the Responsible Investment Policy, explained above, is verified.

In addition, on a semi-annual basis each security undergoes an **initial screening based on the NACE code** of the activities carried out by the individual companies in the portfolio. It is assessed whether the sector is potentially subject to **transition risk** based on intrinsic characteristics and the applicability of certain regulations:

<p><b>Directly:</b> In the case of an energy-intensive sector or one included in the Carbon Border Adjustment Mechanism or the European Emission Trading Scheme, or potentially eligible for the European Taxonomy.</p>	<p><b>Indirectly:</b> In the case of a high-emission sector with impacts on the supply chain.</p>
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Based on the results of the analysis described, the securities are categorized into potentially exposed sectors (both directly and indirectly) and non-exposed sectors.

For securities belonging to potentially exposed sectors, the score obtained by each company in the portfolio with respect to the **Carbon Disclosure Project (CDP)**<sup>18</sup> is considered.

### Private market

#### Article 6 SFDR Products

The methodology developed for this type of fund estimates the **physical risk to which the various production sites of the investee companies are exposed based on their location**, and the **transition risk based on the NACE code** of the activities carried out by each company in the portfolio. The estimation of exposure to both types of risk aligns with the process in place for Article 8 SFDR funds (*more information provided in the next paragraph*) but does not consider the potential mitigation derived from resilience to the impacts of climate change.

#### Article 8 SFDR products

The methodology developed for this type of funds assesses both **physical and transition risks** to which portfolio companies are exposed, considering their **location and economic sector (NACE code)**. The exposure to these risks is mitigated by the **company's resilience** to climate change impacts, evaluated through a questionnaire that measures the company's level of awareness (Maturity).

Specifically, the risk profile of individual portfolio companies concerning **physical risk** is based on two equally weighted drivers:

1. **Exposure to Physical Risks:** this analysis evaluates the geolocation of individual industrial or production sites, using specific databases to assess risks from acute climate events (e.g., landslides, floods, wildfires, hurricanes) and chronic climate events (e.g., heatwaves, water stress). Each type of physical risk is assigned a risk score (Low, Medium-Low, Medium, Medium-High, High).
2. **Resilience to Physical Risks:** if a company is exposed to medium, medium-high, or high physical risks, its resilience to these risks is evaluated. This is done using a questionnaire assessing the company's awareness and maturity in managing physical risks.

<sup>18</sup> <https://www.cdp.net/en>

Resilience is categorized as:

<b>Low</b>	No awareness or internal responsibilities
<b>Low-Medium</b>	Some awareness, with spot actions but no internal responsibilities or monitoring.
<b>Medium</b>	Awareness with targeted actions and internal responsibilities, along with monitoring.
<b>Medium-High</b>	Awareness with defined mitigation actions, internal responsibilities, budget, and scenario analyses.

In addition to physical risks, the methodology assesses **transition risks** based on two equally weighted drivers:

1. **Exposure to Transition Risk:** this evaluation considers the NACE code of each company to determine if the sector is exposed to transition risks due to its intrinsic characteristics or applicable regulations, such as energy-intensive sectors or those affected by the Carbon Border Adjustment Mechanism, the European Emission Trading Scheme, or the European Taxonomy.

<b>Low Sector</b>	The sector is not exposed to transition risk.
<b>Medium Sector</b>	The sector is indirectly exposed to transition risk.
<b>Medium-High Sector</b>	The sector is directly exposed to transition risk.
<b>High Sector</b>	The sector is exposed to transition risk both directly and indirectly.

2. **Resilience to Transition Risk:** companies with Medium, Medium-High, or High exposure to transition risk will be evaluated for climate change resilience based on a maturity questionnaire.

The resilience is classified into five levels:

<b>Low Sector</b>	Unaware of transition risks, no internal responsibilities or monitoring.
<b>Medium-Low Sector</b>	Aware of risks, ad-hoc actions implemented, no internal responsibilities or monitoring.
<b>Medium Sector</b>	Aware of risks, ad-hoc actions, defined responsibilities, and periodic monitoring.
<b>Medium-High Sector</b>	Aware of risks, defined mitigation actions with a planned budget, scenario analysis, and periodic monitoring.

#### Article 9 SFDR products

The methodology developed for this type of fund is based on the characteristics of the currently marketed '**EQUITA Green Impact Fund**', which, due to its defined investment perimeter in the Solar, Wind, and Biogas sectors, is not exposed to transition risk and, therefore, focuses primarily on physical risks, considered more relevant in the current context. As a result, the methodology focuses **exclusively on assessing physical risks**, determined by the geolocation of individual production sites within the portfolio, using data from specific databases. The relevant types of physical risks considered include both **acute climatic events** (e.g., landslides, river floods, coastal flooding, wildfires, hurricanes) and **chronic climatic events** (e.g., extreme heatwaves, water stress).

For each type of physical risk analyzed, a score is assigned based on the level of risk identified:

**Low, Medium-Low, Medium, Medium-High and High**

These scores are then weighted according to the relevance of each physical risk type relative to the type of production site.

The potential resilience of the production sites to the impacts of climate change is considered, assessed through the identification and implementation of risk mitigation measures.

Furthermore, notwithstanding the risk management process described, for each asset that EGIF invests in, a Climate Risk and Vulnerability Assessment (CRVA)<sup>19</sup> is required. The CRVA may have been performed by the developer of the project using different parameters and thresholds than EGIF's pre-screening, however, if appropriate RCPs have been used, EGIF may rely on it.

<sup>19</sup> For more information, please consult: [https://sgr.equita.eu/static/upload/egi/egif\\_erm\\_website-disclosure--art-10--03082023-1.pdf](https://sgr.equita.eu/static/upload/egi/egif_erm_website-disclosure--art-10--03082023-1.pdf)

<sup>20</sup> <https://www.adaptation-undp.org/assessing-climate-risks-and-vulnerabilities-for-adapting-to-climate-change>

## Climate Scenario Analysis 2025

In line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and in line with emerging best market practices, EQUITA Capital SGR conducted its first Climate Scenario Analysis in 2025. This initiative represents a starting point in the progressive integration of climate-related considerations into the Asset Manager's strategy, risk management framework, and investment decision-making processes.

The Climate Scenario Analysis was developed jointly by the RM Function, the ESG Specialist, and the ESG Ambassador of EQUITA Capital SGR. The exercise supports the assessment of the resilience of the Asset Manager's private investment portfolio under different climate-related physical risk scenarios and contributes to strengthening internal capabilities in identifying, assessing, and managing climate risks over the medium term.

### Scope and perimeter

The analysis focuses on the private component of Assets under Management (AuM) of EQUITA Capital SGR, covering private equity, private debt, and infrastructure funds. The unit of analysis is the individual portfolio company held as of 31 December of each year, assessed at site or asset level to enable a granular evaluation reflecting specific operational characteristics, geographic location, and asset use.

Only sites or assets classified as "high" climate risk exposure as of 31 December of the reference year are included, based on the Asset Manager's proprietary ESG Risk Management framework and related climate risk questionnaire.

The Climate Scenario Analysis adopts a medium-term horizon from 2030 to 2040. The geographical scope depends on the location of the assets analysed, with a predominant focus on Italy. The assessment is conducted using two internationally recognised climate scenarios, RCP 4.5 and RCP 8.5, representing respectively a central transition pathway and a high-emissions scenario. Forward-looking climate data and hazard projections are sourced from a specialised third-party climate data tool.

### Key Findings

As this is the first year of implementation, the 2025 Climate Scenario Analysis should be considered a baseline assessment, designed to support learning, raise awareness, and enable the progressive refinement of climate-related analysis over time.

The assessment covered a total of 19 portfolio companies and 41 sites/assets. Specifically:

- **EQUITA Private Debt Fund I** (EPD I): 3 portfolio companies and 4 sites/assets
- **EQUITA Private Debt Fund II** (EPD II): 10 portfolio companies and 29 sites/assets
- **EQUITA Private Debt Fund III** (EPD III): 2 portfolio companies and 2 sites/assets
- **EQUITA Smart Capital** (ELTIF): 4 portfolio companies and 6 sites/assets
- **EQUITA Green Impact Fund** (EGIF): no assets included, as no investments were classified as high climate risk based on data as of 31 December 2025

The results for each fund are presented below.

#### EQUITA Private Debt Fund I (EPD I)

Overall, EPD I shows a relatively contained physical climate risk profile, with exposures remaining limited across most hazards and scenarios. In the shorter-term horizon to 2030, river flood and landslide risk stand out as the most relevant factors, particularly under the RCP 4.5 scenario, while other risks appear limited. Looking ahead to 2040, landslide risk continues to represent the main area of attention for the Fund, whereas exposure to other climate hazards remains broadly stable.

#### EQUITA Private Debt Fund II (EPD II)

For EPD II, the analysis points to a more pronounced exposure to specific physical risks, with landslides emerging as the dominant driver across both scenarios and time horizons. This risk is already evident in 2030 and remains relevant in the longer term. In addition, we observed an increase of the exposure extreme heat hazard, particularly under the high-emissions scenario.

#### EQUITA Private Debt Fund III (EPD III)

The physical risk profile of EPD III appears relatively stable and concentrated on a limited number of factors. Landslide risk emerges as the most significant element in the 2030 horizon. Moving towards 2040, no major shifts are observed

#### EQUITA Smart Capital (ELTIF)

Overall exposure to physical climate risks remains contained, with landslides representing the most relevant risk factor both in the near and medium term. Other hazards remain largely limited across scenarios, with only modest increases observed in the longer term under the RCP 8.5 scenario.

### Key takeaways (cross-fund)

Taken together, the results highlight a consistent picture across the funds analysed. Landslide risk emerges as the most material physical climate risk, particularly in the 2030 horizon, where it reaches higher levels compared with other hazards under both climate scenarios. Overall, the analysis underscores the importance of focusing attention on landslide exposure while continuing to monitor the potential evolution of other physical climate risks in the medium to longer term.

### Next steps

Building on the outcomes of the 2025 Climate Scenario Analysis, EQUITA Capital SGR intends to further refine its approach in the coming years, including:

- Focus on asset-level monitoring for sites exposed to high climate related risks;
- Periodically review and update the risk assessment to capture changes over time;
- Integrate climate risk considerations into ongoing asset monitoring, and investment processes.

### Metrics & Targets

EQUITA Capital SGR has adopted a **pragmatic and progressive approach**, focusing first on building a robust data baseline, strengthening internal capabilities and ensuring transparency and methodological consistency.

In line with the sustainability strategy of the **EQUITA Group**, which identifies climate related matters as a strategic priority, a structured pathway has been initiated to enhance the management of the Group's own emissions. This pathway is articulated around two main pillars:

- the **calculation of the Group's carbon footprint**, aimed at understanding the environmental impact of its operations;
- the **evaluation of potential initiatives to offset residual emissions**, considered within a medium term perspective of continuous improvement.

EQUITA measures its greenhouse gas emissions in accordance with the **general principles of the Greenhouse Gas Protocol**, applied on a best effort basis. The entire reporting process, from data collection to emissions calculation, is managed internally and covers all Group activities. In this context, **2025 represents a key milestone**, as the carbon footprint of the EQUITA Group was measured and disclosed for the first time in a comprehensive manner, establishing an initial emissions baseline. For more information, please consult the 2025 Sustainability Report, which you can find at the following link: EQUITA Group 2025 Sustainability Report.

While in previous years the Group purchased carbon credits to offset its emissions, EQUITA has more recently shifted towards a **more impact oriented approach**, aiming to combine emission offsetting with tangible environmental

and social benefits. To this end, partnerships have been established with **Treedom**<sup>21</sup> and **Ager Oliva**<sup>22</sup>, supporting initiatives designed to generate concrete environmental impacts alongside the progressive reduction and compensation of residual emissions.

Looking ahead, EQUITA Capital SGR, in line with the sustainability pathway of EQUITA Group, intends to **refine climate related metrics**, enhance data quality and progressively evaluate the definition of more specific targets, in line with regulatory developments and evolving best practices.

## Conclusion

Since the inception of its activities, EQUITA Capital SGR has adopted a responsible investment approach, grounded in the conviction that the integration of ESG factors is essential to long-term value creation. This commitment has been progressively formalized over time through the adoption of dedicated policies, structured ESG governance, and robust ESG screening and monitoring processes that are now fully embedded into day to day investment and risk management activities.

In this context, 2025 marked an improvement with the development and execution of the Asset Manager's first Climate Scenario Analysis, aimed at strengthening internal awareness of physical climate risks through the assessment of the resilience of private market investments over the medium to long term. At the same time, EQUITA Capital SGR acknowledges the inherent complexity of climate risk assessment, including long term uncertainty in climate projections, data limitations at asset level and strong dependency on local context, which require an iterative and continuously improving approach.

### Looking ahead ...

The Asset Manager remains committed to further strengthening climate related disclosures, enhancing data quality, and progressively embedding climate considerations into investment decisions and portfolio oversight.

<sup>21</sup> <https://www.treedom.net/it>

<sup>22</sup> <https://ageroliva.it/>



 **EQUITA**

WE KNOW HOW

[sgr.equita.eu](http://sgr.equita.eu)