

# Etica Bilanciato

(Class I)



A **balanced fund** that seeks to capture equity market opportunities whilst benefiting from exposure to bond markets. The fund is recommended for those seeking medium- to long-term capital growth with medium- to high-risk levels, whilst complying with **environmental, social and governance (ESG) criteria**.

**Class I is reserved for institutional clients\***

## Strengths



### Diversification:

the fund invests in equity markets globally, looking for the **best opportunities at thematic, geographic and sector level and in bonds of predominantly euro-area regulated markets**.



### ESG analysis:

as a result of our **proprietary methodology** of ESG analysis, **ESG EticApproach®** (registered trademark of Etica Sgr S.p.A.), the fund is characterised by a rigorous selection of countries and companies that are focused on environmental protection, respect for human rights and good corporate governance.



### Control of financial and non-financial risks:

through the proprietary risk metric, the ESG Risk, Etica Sgr supplements the calculation of financial risk with the measurement of risk from environmental, social and governance (ESG) factors that can have an impact on performance.



### Return opportunities:

the fund aims to create return opportunities for the long-term perspective, **by targeting the real economy and rewarding companies and countries that demonstrate sustainability** from a financial and ESG perspective.



### Simplicity:

the fund has no entry, exit, switch and performance fees\*\* and uses derivatives only to hedge portfolio risks.

## Investment Policy

- For the **equity component**, the fund invests in securities with varying degrees of capitalisation predominantly in **Developed markets**, pursuing **abroad diversification of investments across economic sectors**. For the **bond component**, the fund invests in securities of sovereign issuers and supranational and international organizations and, to a residual extent (maximum 10%), in corporate bonds predominantly in the **regulated markets of the euro area**.
- Equity investment: up to 70%.
- The fund is characterised by an **active management style**, which integrates issuer sustainability analysis with economic and financial analysis to identify and anticipate possible future trends. The management team combines the “top down” approach used for asset allocation with the “bottom up” approach for stock selection. Overweights/underweights compared to the benchmark are possible.
- All financial instruments are selected based on an **accurate analysis of issuers’ ESG (Environmental, Social and Governance) responsibility**. The fund does not invest in controversial sectors and countries (such as oil, weapons, nuclear energy, gambling, or countries that use the death penalty or do not respect civil rights) and issuers with **higher ESG scores** are then selected during the “positive selection” phase.

\* “Institutional clients” refers to private and public professional clients as defined in art. 35, paragraph 1, letter d) of the Intermediaries Regulation (Consob Resolution No 20307/2018) and eligible counterparties.

\*\* For information on the costs regime, please refer to the KIID and section C of Part I of the fund prospectus that are available from the distributors and to the website [www.eticasgr.com](http://www.eticasgr.com).



**etica** SGR  
Responsible Investments

# Fund

## Details

|                              |                                                                                                          |
|------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>Assogestioni category</b> | Balanced                                                                                                 |
| <b>NAV calculation</b>       | Daily                                                                                                    |
| <b>Domicile</b>              | Italy                                                                                                    |
| <b>Benchmark</b>             | 60% MSCI World Net Total Return (in euro)<br>35% JP Morgan EMU<br>5% ICE BofAML Euro Treasury Bill Index |
| <b>Start date</b>            | 02 February 2012                                                                                         |
| <b>ISIN</b>                  | IT0004735186                                                                                             |
| <b>Allocation of income</b>  | Accumulation                                                                                             |

## Risk and return profile



The synthetic risk indicator classifies the Fund on a scale from of 1 to 7 on the basis of the historical annual volatility of the Fund observed over the previous five years. For further information on the risk/return profile, please refer to the KIID and Prospectus available from placing agents and on the Company's website: [www.eticasgr.com](http://www.eticasgr.com).

## Costs

|                                                                         |       |
|-------------------------------------------------------------------------|-------|
| <b>Management fee (annual)</b>                                          | 0.90% |
| <b>Entry, exit, switch and performance fees</b>                         | None  |
| <b>Flat fees</b>                                                        | None  |
| <b>Voluntary contribution to the microfinance and crowdfunding fund</b> | 0.10% |

## Subscription

|                                                        |               |
|--------------------------------------------------------|---------------|
| <b>Lump sum (IP)</b>                                   |               |
| Minimum initial investment amount in the Sistema Etica | 500,000 euros |
| Minimum subsequent investment amount                   | None          |

## Accumulation plans (ACP)

For the subscription of Accumulation Plans (ACP), see the provisions of the Fund Management Regulations of the Sistema Etica (Part C Section I Para. I.3) posted within the [www.eticasgr.com](http://www.eticasgr.com) site

## About us

Etica Sgr is the only Italian asset management company today that proposes only sustainable and responsible mutual funds.

## ESG Selection

Issuers are selected through a **process that includes the ESG analysis and the financial analysis**. Both stocks and bonds included in the portfolio of funds of Etica Sgr are subject to a double screening: the application of negative exclusion criteria with regard to certain sectors or market activity for companies and countries for government securities and the application of positive evaluation criteria based on sustainability issues.

## ESG Risk

The ESG Risk is a proprietary methodology that calculates risk from environmental, social and governance factors to quantify its impact on a mutual fund's stock returns.

## Engagement

We encourage the companies in which the funds invest to engage in sustainable and responsible behaviour in the medium to long term through **dialogue** with management and the **exercise of voting rights**. Each year we report on the key results of our activity in the **Engagement Report**.

## Our impact

Our idea of responsible investment combines the aim of achieving **potential positive financial performance** with that of generating **positive environmental and societal effects**.

Through the **Impact Report** we present the ESG results of the equity investments of our funds in relation to the reference market (MSCI World Net Total Return in Euro). By measuring the **carbon footprint**, we report the carbon footprint of the equity investments of our funds as required by the Montréal Carbon Pledge of the UN PRI.

## Contribution to microfinance and crowdfunding

At the time of subscription, the funds of Etica Sgr provide for the possibility of allocating 0.1% of the invested capital to a fund that guarantees microfinance projects and supports crowdfunding initiatives with high social value, selected by Banca Etica in Italy.

## FIND OUT MORE:

[www.eticasgr.com](http://www.eticasgr.com)



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Principles for Responsible Investment

Etica Sgr has adhered to the United Nations Principles for Responsible Investment (PRI) since 2009, becoming **the first Italian company to sign the commitment to incorporate ESG (environmental, social and governance) criteria** into its investment and active ownership decisions.