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INVESTMENTS



## European SRI Transparency Code

The European SRI Transparency Code (the Code) focuses on SRI funds distributed publicly in Europe and is designed to cover a range of assets classes, such as equity and fixed income.

All information pertaining to the European SRI Transparency Code can be found at the following website: [www.eurosif.org](http://www.eurosif.org). The Code comes with a Guidance Manual for fund managers on how to best use and respond to the Code. The present version of the Code was approved by the Board of Eurosif in February 2018.

### REVISION OF THE CODE

In 2017 the Code was updated to better reflect the continuing evolution of the European **Sustainable and Responsible Investing** (SRI) market. A Working Group was set up to facilitate revision of the Code in line with the latest developments in the industry and in view of the latest work carried out by experts at the European and global level.

Applications to sign up to the Code will now be in line with key elements of the recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD), Article 173 of the French TECV Act and the latest recommendations made by the High-Level Group of Experts on Sustainable Finance (HLEG) in its final report published in January 2018. Questions that are specifically designed to reflect those recommendations/legislation are indicated in the Code with footnotes.

### TWO KEY MOTIVATIONS UNDERPIN THIS CODE

1. The opportunity for retail SRI funds to provide clarification to investors and other stakeholders about their SRI approach in an easily accessible and comparable format.
2. Proactive strengthening of self-regulation to contribute to the development and promotion of SRI funds by setting up a common framework for transparency best practices.

### GUIDING PRINCIPLE

Signatories to the Code should be open and honest and should disclose accurate, adequate and timely information to enable stakeholders, especially consumers, to understand the ESG policies and practices of the fund.

### COMMITMENTS BY SIGNATORIES

- The order and exact wording of the questions should be followed;
- Responses should be informative and clear, and the resources and methodologies used should be described in as much detail and as precisely as possible;
- Funds should report data in the currency that they use for other reporting purposes;
- Reasons preventing the fund from providing all or part of the information to a given question should be clearly stated and, in such cases, signatories should state when they will be able to answer the question;

- Responses should be updated at least on an annual basis and should have a precise publication date;
- Responses to the Code should be easily accessible from the website of the fund and/or of the fund manager. In any case, signatories should make it clear where to find the information required by the Code;
- Signatories are solely responsible for the answers to the questions, and should state this in their response.

### **Statement of Commitment**

*Complete/modify the below section accordingly*

Sustainable and Responsible Investing is an essential part of the strategic positioning and behaviour of **Generali Investment Partners S.p.A. Società di gestione del risparmio**. We have been involved in **SRI since 2010** and welcome the European SRI Transparency Code.

**This is our 8<sup>th</sup> statement** of commitment and covers the period **April 1<sup>st</sup> 2019 to March 31<sup>st</sup> 2020**. Our full response to the European SRI Transparency Code can be accessed below and is available in on our website via following link.

<https://www.generali-investments.com/fr/en/institutional/core-capabilities/#sri>

### **Compliance with the Transparency Code**

Generali Investment Partners S.p.A. Società di gestione del risparmio is committed to transparency and we believe that we are as transparent as possible given the regulatory and competitive environments that exist in the countries in which we operate. Generali Investment Partners S.p.A. Società di gestione del risparmio meets the full recommendations of the European SRI Transparency Code.

**DATE: April 1<sup>st</sup> 2019**

### **Eurosif classification of Sustainable and Responsible Investment<sup>1</sup> strategies**

**Sustainability Themed Investment:** investment in themes or assets linked to the development of sustainability. Thematic funds focus on specific or multiple issues related to ESG (**Environmental, Social and Governmental**). Sustainability Themed Investments inherently contribute to addressing social and/or environmental challenges, such as climate change, eco-efficiency and health. Funds are required to perform an ESG analysis or screening of investments in order to come under this category.

**Best-in-Class Investment Selection:** approach according to which leading or best-performing investments within a universe, category or class are selected or weighted based on ESG criteria. This approach involves the selection or weighting of the best-performing or most improved companies or assets as identified by ESG analysis within a defined investment universe. This approach includes best-in-class, best-in-universe and best-effort.

<sup>1</sup> Sustainable and responsible investment ("SRI") is a long-term oriented investment approach which integrates ESG factors in the research, analysis and selection process of securities within an investment portfolio. It combines fundamental analysis and engagement with an evaluation of ESG factors in order

to better capture long-term returns for investors and to benefit society by influencing the behaviour of companies. Ref. Eurosif 2016



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**Norms-Based Screening:** screening of investments according to their compliance with international standards and norms. This approach involves the screening of investments based on international norms or combinations of norms covering ESG factors. International norms on ESG are those defined by international bodies, such as the United Nations (UN).

**Exclusion of Holdings from Investment Universe:** an approach that excludes specific investments or classes of investment from the investible universe, such as companies, sectors or countries. This approach systematically excludes companies, sectors or countries from the permissible investment universe if they are involved in certain activities based on specific criteria. Common criteria include weapons, pornography, tobacco and animal testing. Exclusions can be imposed at the individual fund or mandate level, but also increasingly at the asset manager or asset owner level, across the entire product range of assets. This approach is also referred to as ethical or values-based exclusion, as exclusion criteria are typically based on the choices made by asset managers or asset owners.

**Integration of ESG Factors into Financial Analysis:** the explicit inclusion by asset managers of ESG risks and opportunities in traditional financial analysis and investment decisions based on a systematic process and appropriate research sources. This category covers explicit consideration of ESG factors alongside financial factors in the mainstream analysis of investments. The integration process focuses on the potential impact of ESG issues on company financials (positive and negative), which in turn may affect the investment decision.

**Engagement and Voting on Sustainability Matters:** engagement activities and active ownership through voting of shares and engagement with companies on ESG matters. This is a long-term process that seeks to influence behaviour or increase disclosure. Engagement and voting on corporate governance are necessary, but are not sufficient in themselves for inclusion in this category.

**Impact Investing:** impact Investments are investments in companies, organisations and funds with the intention of generating a social and environmental impact alongside a financial return. Impact investments can be made in both emerging and developed markets and target a range of returns from below market-to-market rate, depending upon the circumstances<sup>2</sup>. Investments are often project-specific and distinct from philanthropy, as the investor retains ownership of the asset and expects a positive financial return. Impact investing includes microfinance, community investing, social business/entrepreneurship funds and French *fonds solidaires*.

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2. General information about the fund management company
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<sup>2</sup> Global Impact Investing Network (GIIN), "What is Impact Investing?", <http://www.thegiin.org/cgi-bin/iowa/investing/index.html>, 2012



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## 1. List of SICAV sub-funds covered by the Code

Name of the sub-fund(s)	GIS SRI Ageing Population & GIS SRI European Equity				
	Asset class	Exclusions standards and norms	Fund capital as at 31 <sup>st</sup> March 2019	Other labels	Links to relevant documents
<b>✓ Best-in-Class</b> <input type="checkbox"/> Engagement & Voting <input type="checkbox"/> ESG Integration <b>✓ Exclusions</b> <input type="checkbox"/> Impact Investing <input type="checkbox"/> Norms-Based Screening <input type="checkbox"/> Leading to exclusions <input type="checkbox"/> Leading to management analysis/engagement <input type="checkbox"/> Sustainability Themed	<b>Passively managed</b> <input checked="" type="checkbox"/> Passive investing benchmark: specify the index tracking <input checked="" type="checkbox"/> Passive investing ESG/SRI benchmark: specify the index tracking  <b>Actively managed</b> <b>✓ Shares in a euro area country</b> <b>✓ Shares in an EU country</b> <input type="checkbox"/> International shares <input type="checkbox"/> Bonds and other debt securities denominated in euro <input type="checkbox"/> International bonds and other debt securities <input type="checkbox"/> Monetary assets <input type="checkbox"/> Short-term MNCs monetary assets <input type="checkbox"/> Structured funds	<b>✓ Controversial weapons</b> <input type="checkbox"/> Alcohol <input type="checkbox"/> Tobacco <input type="checkbox"/> Arms <input type="checkbox"/> Nuclear power <b>✓ Human rights</b> <b>✓ Labour rights</b> <input type="checkbox"/> Gambling <input type="checkbox"/> Pornography <input type="checkbox"/> Animal testing <input type="checkbox"/> Conflict <b>✓ Biodiversity</b> <b>✓ Deforestation</b> <b>✓ CO2 intensive (including coal)</b> <input type="checkbox"/> Genetic engineering <b>✓ Global Compact</b> <input type="checkbox"/> OECD guidelines for MNCs <b>✓ ILO</b>	<input checked="" type="checkbox"/> GIS Ageing Population: €411 m <input checked="" type="checkbox"/> GIS SRI European Equity: €243 m	<b>✓ French SRI Label (both funds)</b> <input type="checkbox"/> French TEEC label <input type="checkbox"/> French CIES label <input type="checkbox"/> Lux flag Label <b>✓ FNG Label</b> <input type="checkbox"/> Austrian Ecolabel	<b>✓ (KIID): GIS SRI Ageing Population / GIS SRI European Equity</b> <b>✓ Prospectus</b> <a href="https://www.generali-investments.com/fr/en/institutional/fund-page/?fundname=generali-investments-sicav-sri-ageing-population-class-bx-acc&amp;isin=LU1234787205">https://www.generali-investments.com/fr/en/institutional/fund-page/?fundname=generali-investments-sicav-sri-ageing-population-class-bx-acc&amp;isin=LU1234787205</a>  <input type="checkbox"/> Management report <input type="checkbox"/> Financial non-Financial reporting <input type="checkbox"/> Corporate presentations <b>✓ SRI guide</b> <b>✓ Responsible Investing guidelines</b> <b>✓ Active ownership &amp; proxy voting report</b>  <a href="https://www.generali-investments.com/fr/en/institutional/fund-page/?fundname=generali-investments-sicav-sri-ageing-population-class-bx-acc&amp;isin=LU1234787205">https://www.generali-investments.com/fr/en/institutional/fund-page/?fundname=generali-investments-sicav-sri-ageing-population-class-bx-acc&amp;isin=LU1234787205</a>

					<a href="https://investments.generali.com/fr/en/institutional/core-capabilities/#sr">investments.com/fr/en/institutional/core-capabilities/#sr</a>
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## 2. General information about the fund management company

### 2.1. Name of the fund management company that manages the applicant fund(s)

Generali Investment Partners S.p.A. Società di gestione del risparmio ("Generali Investments") is the investment manager of the 2 applicants sub-funds, which management company is Generali Investments Luxembourg S.A..

Generali Insurance Asset Management S.p.A. Società di gestione del risparmio ("GIAM") is the investment manager in charge of providing the Governance, Proxy voting, Engagement and ESG analysis services to GIP.

### 2.2. What are the company's track record and principles when it comes to integrating SRI into its processes?

*Please provide a hyperlink to any of the company's sustainable investment webpages.*

#### **Generali Group's commitment to sustainable investing is strong**

- As a signatory of the UN Global Compact (2007) and of the Principles for Responsible Investment (PRI, 2011) supported by the UN, Generali Group discloses its activities in its annual Sustainability Report available online and is committed to the fulfilment of its principles.
- Generali Group participates to the European Forum for Sustainable Finance (EUROSIF), the French Forum for Sustainable Finance (FIR), the Italian Forum for Sustainable Finance (FFS) and the Spainsif: these working groups bring together the most important European players in the area of socially responsible investment.
- Generali Group adheres to the International Corporate Governance Network's (ICGN) whose mission is to promote effective standards of corporate governance and investor stewardship to advance efficient markets and sustainable economies world-wide.
- Generali Group is also a signatory of:
  - ✓ UNEPFI PSI (Principles for Sustainable Insurance)
  - ✓ The Climate Risk Statement of the Geneva Association
  - ✓ TCFD Supporters (Task Force on Climate-related Financial Disclosure), promoted by the Financial Stability Board
  - ✓ "Investing in a Just Transition"
  - ✓ Paris Pledge for Action
  - ✓ EFR (European Financial Services Round Table)

Generali Group - Responsible Investments  
<https://www.generali.com/our-responsibilities/responsible-investments>

## Generali Insurance Asset Management

GIAM has had a dedicated SRI team since 2010, using its own proprietary methodology to analyse, score and retain the European issuers with the best sector practices in terms of ESG behaviours.

All the ESG information is available in our in-house database “SARA”.

Generali Investments - Socially Responsible Investment

<https://www.generali-investments.com/fr/en/institutional/core-capabilities/#sri>

### 2.3. How does the company formalise its sustainable investment process?

Generali Investments provides, on its internet website and in addition to the Eurosif Code of Transparency, a SRI guide describing its ESG process:

<https://www.generali-investments.com/fr/en/institutional/core-capabilities/#sri>

Generali Investments’ voting policy and annual report on voting & active ownership are also available online:

<https://www.generali-investments.com/fr/en/institutional/proxy-voting/>

### 2.4. How are ESG risks and opportunities – including those linked to climate change – understood/taken into account by company?<sup>4</sup>

ESG Risk and opportunities are considered through a transparent proprietary methodology presenting some of the following key features:

Our SRI approach is based on different approaches:

- Exclusions: applying Generali Group’ Ethical Filter
- “Best effort” ESG analysis: selecting companies showing improvements in their ESG compliance, based on a “best in class” ESG analysis of each sector of the MSCI Europe universe. The ESG analysis is the basis to scoring issuers within each sector and determining a SRI compliant universe of issuers, in line with our criteria.
- Usual ESG Engagement: continuous dialogue & follow-up with companies

The selection is focused on « best effort » companies - showing an improvement in their ESG compliance and behaviour within their sector and the usual ESG engagement activity also complements our ESG research.

In terms of Climate change, we consider the risks attached to the Weighted average carbon intensity (TeqCO2/1m EUR sales)\* for the 2 SRI funds we manage, compared to their investment universes.

We then also consider whether these results show an improvement over time.

*\*The data used comes from Trucost, MSCI, Bloomberg, sustainable development reports and our SARA Database.*

## 2.5. How many employees are directly involved in the company's sustainable investment activity?

For responsible and sustainable activities, Generali Insurance Asset Management can rely on:

- A team of 5 SRI analysts dedicated to ESG analysis (European issuers)
- A team of 10 people dedicated to Governance, Proxy voting & Engagement

with both teams reporting into the Head of Investment Stewardship.

Furthermore:

- 2 fund managers are dedicated to managing the 2 SRI funds (combined EUR 654 m in AUM, as of 31/03/2019).

## 2.6. Is the company involved in any RI initiatives?

General Initiatives	Environmental/Climate Initiatives	Social Initiatives	Governance Initiatives
<input type="checkbox"/> ECCR – Ecumenical Council for Corporate Responsibility <input type="checkbox"/> EFAMA RI WG <input type="checkbox"/> European Commission's High-Level Expert Group on Sustainable Finance <input type="checkbox"/> ICCR – Interfaith Climate Change Center on Corporate <input type="checkbox"/> National Asset Manager Association (RI Group) <input checked="" type="checkbox"/> PRI - Principles For Responsible Investment <input checked="" type="checkbox"/> SIFs - Sustainable Investment Fora	<input checked="" type="checkbox"/> CDP–Carbon <input type="checkbox"/> Access Disclosure Project (carbon, forest, water etc.) <input type="checkbox"/> Climate Bond Initiative <input type="checkbox"/> Green Bond Principles <input type="checkbox"/> IIGCC – Institutional Investors Group on Climate Change <input type="checkbox"/> Montreal Carbon pledge <input checked="" type="checkbox"/> Paris Pledge for Action <input type="checkbox"/> Portfolio Decarbonization Coalition	<input type="checkbox"/> Access to Medicine <input type="checkbox"/> Access to Nutrition Foundation <input type="checkbox"/> Accord on Fire and Building Safety in Bangladesh	<input checked="" type="checkbox"/> YES - ICGN – International Corporate Governance Network  <input checked="" type="checkbox"/> Other (please specify) <ul style="list-style-type: none"> <li>- UNEPFI PSI (Principles for Sustainable Insurance)</li> <li>- The Climate Risk Statement of the Geneva Association</li> <li>- “Investing in a Just Transition”</li> </ul>

## 2.7. What is the total number of SRI assets under the company's management?

The company has been appointed by Generali Investments Luxembourg S.A. (the management company) as investment manager of the 2 SRI equity sub-funds (UCITS) - Generali Investments SICAV (GIS) SRI European Equity and GIS SRI Ageing Population sub-funds – worth EUR 654 m as of 31/03/2019.

<sup>3</sup> Reference to Article 173 of the French TECV Act and the HLEG recommendations on INVESTOR DUTIES

<sup>4</sup> Reference to Article 173 of the French TECV Act and the TCFD recommendations (risks and opportunities section)

### 3. General information about the SRI fund(s) that come under the scope of the Code

#### 3.1. What is (are) the fund(s) aiming to achieve by integrating ESG factors?

By applying an ESG screening process to these sub-funds, we aim to:

- Achieve better risk-adjusted returns over time, by identifying the ESG risks associated to specific sectors and issuers
- Engage with issuers, to discuss their ESG risks, opportunities and potential solutions
- Score and invest in the issuers showing the best ESG compliance relative to their peers within the sector, based on our ESG criteria and methodology and assess their improvements over time (“Best effort” approach based on “Best in class” analysis).

We also analyse the social and environmental footprint of our SRI funds to measure their performance over time on the following 4 criteria:

- ✓ % of independent directors (Governance)
- ✓ % of women in boards of directors (Governance & Social)
- ✓ Employee turnover rate (Social)
- ✓ Carbon footprint (Environmental).

#### 3.2. What internal or external resources are used for ESG evaluation of the issuers who make up the investment universe of the fund(s)?

GIAM has a dedicated Investment Stewardship Team which comprises two different structures reporting to the Head of Investment Stewardship:

- Governance Proxy Voting and Engagement Team (GPV&E), in charge of Corporate Governance Analysis, Proxy voting and Engagement activities
- A team of dedicated Governance analysts in place since 2016 within the GPV&E Team.
- A team of 5 dedicated SRI analysts, in place since 2010, in charge for maintaining and applying a proprietary ESG screening methodology, covering more than 495 companies - from the MSCI Europe index universe, as well as issuers from outside the index
- SRI analysis is stored in a proprietary database « S.A.R.A. » (Sustainable Analysis of Responsible Asset), with real time updated ratings
- The SRI Team analyses all sectors and companies in the universe over a 40-month cycle (maximum), during which the Team will, in any case, monitor potential negative ESG behaviours and engage companies, when appropriate
- Usual ESG engagement activity complements the ESG Research, through dialogue. Companies refusing such dialogue requests are automatically rejected from the SRI universe.
- The team complements its own analysis with external research from specialised external providers: Sustainalytics, Ethifinance, Vigeo/EIRIS, MSCI ESG Research, RepRisk and Trucost



### 3.3. What ESG criteria are taken into account by the fund(s)?

#### Group Ethical filter

Generali Group applies an Ethical filter to more than EUR 300 bn in assets under management.

The aim of the Group Ethical Filter, effective since 2006, is to identify:

- **Restricted Issuers List:** Issuers with poor ESG practices not meeting minimum Group Responsible Investment requirements.
- **Watch List:** Issuers potentially exposing the Group to higher reputational risk due to their potential implication in relevant ESG issues – to be strictly monitored.

The Restricted Issuers List includes Issuers:

- Breaching the Non Proliferation Treaty for Nuclear Weapons<sup>1</sup>
- Directly<sup>2</sup> involved in cluster munitions, antipersonnel landmines and biological / chemical weapons
- Involved in one or more of the following: serious or systematic human rights violations; severe environmental damages; gross corruption
- Significantly involved in coal activities

The Watch List includes Issuers:

- Not breaching the Non Proliferation Treaty but directly involved in Nuclear Weapons
- Indirectly<sup>3</sup> involved in cluster munitions, antipersonnel landmines and biological/chemical weapons
- Involved in one or more of the following: human rights violations; environmental damages; corruption

#### Identifying ESG criteria & relevant issues

For the SRI sub-funds (GIS SRI European Equity, GIS SRI Ageing Population sub-funds), and following the Group Ethical filter, a complementary ESG methodology is applied in order to identify the responsible companies to invest in.

The SRI team identified in this first step an ESG framework of 34 ESG criteria that are grouped into 4 main sections: Environment (11), Internal Social (11), External Social (8), and Governance (4).

This is an initial step to identify the relevant issues.

Corporate Governance is the only ESG pillar common to all the 28 sectors covered by the analysis of the Corporate Governance Rating process is delegated to the GPV&E Team and addresses the need of Generali

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<sup>1</sup> The Treaty on the Non-Proliferation (NPT) of Nuclear Weapons is an international treaty aiming at preventing the spread of nuclear weapons, promoting cooperation in the peaceful uses of nuclear energy and achieving nuclear disarmament. While it is the only internationally-binding agreement to the goal of disarmament by the nuclear-weapon states, the NPT does not expressly and formally prohibits the production of nuclear weapons.

<sup>2</sup> Direct involvement: "use, develop, produce, acquire, stockpile or trade controversial weapons or key components/services of controversial weapons"

<sup>3</sup> Indirect involvement: "use, develop, produce, acquire, stockpile or trade non key components/services of controversial weapons"

internal stakeholders willing to integrate corporate governance qualitative and quantitative data in their process.

GPV&E Team implemented a proprietary Corporate Governance Rating Methodology (hereafter “CGRM”) that aims at strengthening Generali's approach to stewardship and engagement by providing to the SRI Team (and to other Generali Teams) a compelling tool to monitor Corporate Governance risks and values to be integrated in the investment decisions.

As an extra-financial data screening solution, CGRM rests on a unique scoring methodology built, tested, shared and agreed internally.

It focuses on both qualitative and quantitative aspects of regional governance best practices as well as the voting recommendation and the voting analysis based upon Generali's voting guidelines. The purpose of CGRM is to objectively create, for each issuers included in the perimeter of coverage, a report inclusive of the following elements:

- A synthetic score about the governance riskiness of a company;
- A set of qualitative information on four corporate governance pillars: Board structure, Shareholder Rights and Capital Management, Remuneration and Audit;
- A synthetic overview of market practice on the basis of the market of incorporation of the issuer analysed.

The corporate governance score is integrated into the ESG rating assigned by the SRI Team. A high corporate governance risk identified by GPV&E Team can be a driver for the exclusion of the issuer from the SRI investible universe.

With regard to the CGRM, Generali avails itself of the data provided by internal analysts and by the external providers Institutional Shareholder Services (ISS), chosen among leading global corporate governance providers.

The CGRM coverage is limited to publicly traded companies and, in special circumstances, can be applied to non-listed European companies for which a dedicated request of coverage arises. In terms of issuers covered, the CGRM is applied to issuers belonging to the MSCI Europe Index and to issuers included in the voting perimeter of Generali Group.

There are more than 220 factors analyzed under the CGRM, with the specific factors under analysis varying by the market of incorporation of the issuer.

The other relevant issues in “E” & “S” will be identified thanks to our risk matrix for each sector. The initial step is therefore to identify the relevant issues.

**Table below: 34 ESG criteria / topics**

Section	Category	Sub-category	Topic
Environment	Environment	Product design	Purpose
			Use & End of life
		Use of natural resources	Purchasing & Consumption
			Emissions
		Greenhouse Gases	
		Ground	
		Water	
		Waste management	
		Ecosystem	Biodiversity
			Transport
Local disturbances			
External Social	Marketplace	Safety	Safety
		Quality	Quality
		Green Products & Services	Green Products & Services
		Access & Responsible Use	Access & Responsible Use
		Unfair competition	Unfair competition
	Social	Community impact	Community impact
		Accident	Accident
		Ethical issues	Bribery
Internal Social	Employment	Human Rights	Freedom of association
			Child labour
			Forced labour
			Diversity
		Working conditions	Health & Safety
			Work conditions
		Compensation	Pay & Benefits
		Career Management	Career Management
		Social dialog	Social dialog
		Supply Chain	Environmental conditions of Supply Chain
Employment conditions of Supply Chain			
Corporate Governance	Corporate Governance	Corporate Governance	Board composition and functioning
			Shareholders rights
			Remuneration
			Financial disclosure & External controls

Source: Generali Investments Europe S.p.A. Società di gestione del risparmio data as of December 2018

### 3.4. What principles and criteria linked to climate change are taken into account in the fund(s)?<sup>5</sup>

In terms of Climate change, we consider the risks attached to the Weighted average carbon intensity (TeqCO<sub>2</sub>/1m EUR sales)\* for the 2 funds, compared to their investment universe.

We then also consider whether these results show an improvement over time.

*\*The data used comes from Trucost, MSCI, Bloomberg, sustainable development reports and our SARA Database.*

### 3.5. What is the ESG analysis and evaluation methodology of the fund manager/fund management company (how is the investment universe built, what rating scale is used etc.)?

In addition to the Exclusions we apply via the Group Ethical Filter, we carry out an ESG analysis of industry sectors and issuers (MSCI Europe universe).

#### Identifying ESG criteria & relevant issues

For the SRI sub-funds (GIS SRI European Equity, GIS SRI Ageing Population sub-funds), and following the Group Ethical filter, a complementary ESG methodology is applied in order to identify the responsible companies to invest in.

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The corporate governance score is integrated into the ESG rating assigned by the SRI Team. A high corporate governance risk identified by GPV&E Team can be a driver for the exclusion of the issuer from the SRI investible universe.

With regard to the CGRM, Generali avails itself of the data provided by internal analysts and by the external providers Institutional Shareholder Services (ISS), chosen among leading global corporate governance providers.

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			Use & End of life
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		Emissions	Air (excepted GHG)
			Greenhouse Gases
			Ground
			Water
			Waste management
		Ecosystem	Biodiversity
			Transport
Local disturbances			
External Social	Marketplace	Safety	Safety
		Quality	Quality
		Green Products & Services	Green Products & Services
		Access & Responsible Use	Access & Responsible Use
		Unfair competition	Unfair competition
	Social	Community impact	Community impact
			Accident
		Ethical issues	Bribery
Internal Social	Employment	Human Rights	Freedom of association
			Child labour
			Forced labour
			Diversity
		Working conditions	Health & Safety
			Work conditions
		Compensation	Pay & Benefits
		Career Management	Career Management
		Social dialog	Social dialog
		Supply Chain	Environmental conditions of Supply Chain
Employment conditions of Supply Chain			
Corporate Governance	Corporate Governance	Corporate Governance	Board composition and functioning
			Shareholders rights
			Remuneration
			Financial disclosure & External controls

Source: Generali Investments Europe S.p.A. Società di gestione del risparmio data as of December 2018

## Mapping of ESG risks & opportunities

The above 30 relevant topics within “E” and “S” are reviewed from an ESG risks and opportunities perspective for each sector, based on the below 6 risks and opportunities, to determine a score between 0 and 9.

The maximum of the score is therefore 54 for each issue.

The issues with scores above 27 are retained for the sectors’ analysis.

The SRI team typically selects 6/7 criteria considered as being the most relevant within a given sector and they are all equally weighted.

A risk can be defined as the combination of the probability of an event happening and its consequences and the likelihood of an event occurring. Its direct & indirect financial consequences are estimated at this stage.

The weights of extra-financial risks and opportunities enable us to estimate their impacts on the company.

The below chart describes the different ESG risks and opportunities we use as part of the risk matrix:

Risks	Description
Reputation risks and damage to the brand image	Deterioration of the brand name and its reputation due to a change in the market perception of the company which has in turn a negative impact on the company's ability to create revenue
Legislative Pressure	Intervention by the authorities to regulate the company's activities
Class action	Direct and indirect costs due to class ( collective) action lawsuits brought against the company
Competitive Advantage	Technological or managerial innovation which enable the company to meet market expectations
Immaterial Capital	Value of intangible capital ( intellectual property, team know-how, etc.)
Carbon impact	Estimate of the company's carbon trading price

*Source: Generali Investments Partners S.p.A.  
Società di gestione del risparmio data as of  
December 2018*

Note: 28 sectors are covered (3rd level of the MSCI sector classification).

When possible, we identify 1 or 2 key issues for each sector that are discriminatory: if an issuer is well below expected practices, the issuer could thus be excluded.

For these issuers, we will engage a dialogue only on the specific key relevant issues before continuing with the analyses on the remaining relevant issues. If the dialogue does not lead to a change in the analysts’ opinion, the issuers will not be assessed on the remaining relevant issues, and will consequently be excluded.

This process would enable to identify potential candidates for specific engagement and initiate a discussion with them on the specific key issues.

For each sector, relevant issues are identified, and discriminatory key issues are highlighted in yellow box:

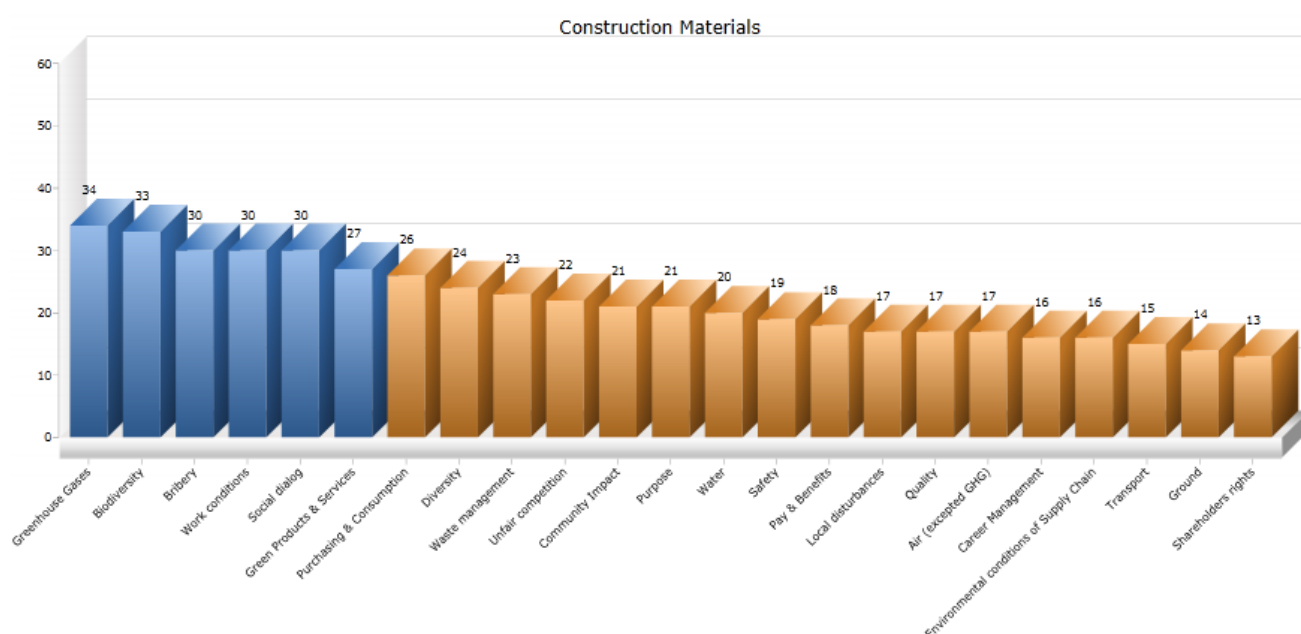
	Board composition and functioning	Shareholders rights	Remuneration	Financial disclosure & External controls	Purpose	Use & End of life	Purchasing & Consumption	Greenhouse Gases	Air (excepted GHG)	Ground	Water	Waste management	Biodiversity	Transport	Local disturbances	Safety	Quality	Green Products & Services	Access & Responsible Use	Unfair competition	Community Impact	Accident	Bribery	Freedom of association	Child Labour	Forced Labour	Diversity	Health & Safety	Work conditions	Pay & Benefits	Career Management	Social dialog	Environmental conditions of Supply Chain	Employment conditions of Supply Chain
Air Freight, airlines & logistics								x					x			x	x				x											x		
Automobiles and components								x					x			x		x		x												x		
Business services								x									x						x						x		x			
Capital goods																		x					x						x					
Capital markets																x	x	x					x											
Chemicals								x					x			x		x										x						
Commercials banks																x	x	x			x		x											
Construction & engineering								x					x					x					x					x				x	x	
Construction materials								x					x					x		x			x						x					
Telecoms								x								x			x	x										x				
Energy								x								x					x		x											
Food, beverage and tobacco								x	x				x				x	x											x					
Food retailing								x	x				x				x	x											x					
Hotels, restaurants and leisure								x	x								x					x							x					
Household and personal care								x	x								x		x														x	x
Insurance								x									x	x	x	x														
Luxury								x				x		x			x					x						x					x	x
Media								x									x						x									x		
Mining & metals								x														x								x			x	
Paper & forestry								x				x							x											x				
Pharma & healthcare																	x	x		x	x													
Real estate								x										x				x		x						x				
Semiconductors and hardware								x										x	x					x						x				x
Software & IT services								x									x		x	x				x							x			
Transport & infrastructure								x									x	x	x											x				
Utilities								x										x			x		x											
General and non-food retail								x									x	x															x	x

Source: Generali Investments Partners S.p.A. Società di gestione del risparmio as of April 2019

### Example - Scoring relevant issues in the Construction Materials sector

The below chart shows that the 6 most relevant issues for that sector - with scores equal or above 27 - are:

- Greenhouse Gases (GHG)
- Biodiversity
- Bribery
- Working conditions
- Social Dialogue
- Green Product & Services



Source: Generali Investments Partners S.p.A. Società di gestione del risparmio data as of December 2018

### ESG Analysis

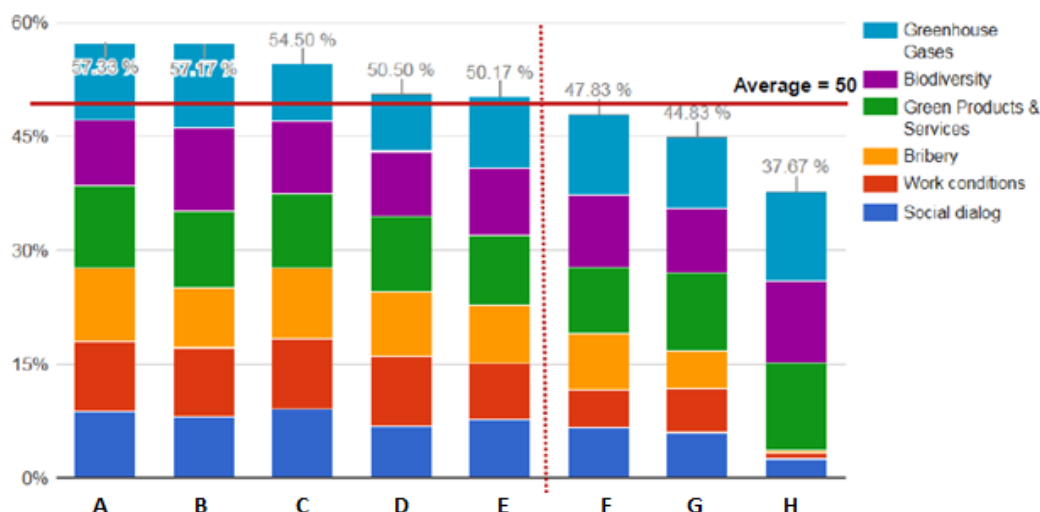
Analysing and rating companies facilitate the identification of the “best-effort” companies with regards to the management of the main ESG risks identified at sector level and helps to determine whether they improve their ESG compliance and behaviour over time. We contact all the companies in the universe analysed.

A sector report is carried out and sent to the entire Investment department.

### Rating & selecting companies - Construction Materials sector (example)

The companies which are below their sector average rating are not considered as being ESG compliant and are not retained.





Source: Generali Investments Partners S.p.A. Società di gestione del risparmio data as of December 2018

All ESG ratings are stored in the dedicated SARA database.

## Selection of SRI investment

### 1 - SRI Score

Once an issuer has been analysed, the next step is the issuer scoring. Scoring is never an easy aspect of the analysis, but it is the most efficient and objective way to rank issuers according to their ESG performances.

The score ranges from 0 to 100. To be considered SRI-compliant, it is mandatory to have an average score equal or superior to 50, otherwise, the issuer will be considered as SRI non-compliant.

As previously explained, each issuer is analysed according to different relevant ESG issues and this assessment is evidenced by a score given to each relevant issue. The final score will be simply the average of the scores obtained for each relevant issue (Note: the scores of relevant issues are equally weighted).

This scoring methodology applies to our overall issuer coverage (equity, corporate bonds). The score given to an issuer is supposed to reflect the issuer's performance at a given time, and, in line with our "best effort" approach, the score also reflects the company's trend over time in terms of its ESG performance - as well as the quality of the answers provided during the usual ESG engagement phase. An issuer refusing our usual engagement request will therefore systematically see its average score fall under 50, leading to a SRI non-compliant status.

### 2 - Communicating ESG eligible universe to portfolio managers

Our methodology, based on identifying risk and opportunities within the European universe (MSCI Europe), allows us to limit the exposure to companies displaying more ESG risks compared to their peers within a given sector.

Those risks may have extra-financial impacts on the companies, which can lead to financial consequences.

The results of the process described in the previous sections is made available to the portfolio managers via the SARA database and the monthly communication by the SRI team (by email) of the SARA Filter list - which includes the companies eligible to the ESG universe (monthly updates).

The portfolio managers can then use the internal ESG ratings of companies when selecting their stocks based on financial metrics and fundamental bottom-up analysis.

Furthermore, our SRI analysts work in close cooperation with portfolio managers, notably in the event of an IPO and/or the potential selection of a stock outside the initial investment universe. Indeed, portfolio managers are allowed, within the portfolios' guidelines and limits, to include off-benchmark positions and/or mid-caps for instance - as long as the companies are vetted and approved by the SRI team prior to inclusion.

Indeed, following the ad-hoc analyses, only stocks approved by the SRI team can be selected by the portfolio managers for GIS' SRI sub-funds, similarly to European companies featured in the MSCI Europe index.

### **3.6. How often is the ESG evaluation of the issuers reviewed? How are any controversies managed?**

- The SRI Team analyses all sectors and companies in the universe over a 40-month cycle, during which the Team will, in any case, monitor potential negative ESG behaviours and engage companies, when appropriate
- Usual ESG engagement activity complements the ESG Research, through dialogue. Companies refusing such dialogue requests are automatically rejected from the SRI universe.
- Indeed, the SRI team carries out an ongoing monitoring of ESG events, based on an external provider's input (Vigeo/Eiris, coverage of 5,000 issuers globally), with controversies managed through the Group Ethical Filter.

#### **Group Ethical filter**

Generali Group applies an Ethical filter to more than EUR 300 bn in assets under management.

The aim of the Group Ethical Filter, effective since 2006, is to identify:

- Restricted Issuers List: Issuers with poor ESG practices not meeting minimum Group Responsible Investment requirements.
- Watch List: Issuers potentially exposing the Group to higher reputational risk due to their potential implication in relevant ESG issues – to be strictly monitored.

The Restricted Issuers List includes Issuers:

- Breaching the Non Proliferation Treaty for Nuclear Weapons (4)
- Directly (5) involved in cluster munitions, antipersonnel landmines and biological / chemical weapons
- Involved in one or more of the following: serious or systematic human rights violations; severe environmental damages; gross corruption
- Significantly involved in coal activities

The Watch List includes Issuers:

- Not breaching the Non Proliferation Treaty but directly involved in Nuclear Weapons
- Indirectly (6) involved in cluster munitions, antipersonnel landmines and biological/chemical weapons

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<sup>4</sup> The Treaty on the Non-Proliferation (NPT) of Nuclear Weapons is an international treaty aiming at preventing the spread of nuclear weapons, promoting cooperation in the peaceful uses of nuclear energy and achieving nuclear disarmament. While it is the only internationally-binding agreement to the goal of disarmament by the nuclear-weapon states, the NPT does not expressly and formally prohibits the production of nuclear weapons.

<sup>5</sup> Direct involvement: "use, develop, produce, acquire, stockpile or trade controversial weapons or key components/services of controversial weapons"

<sup>6</sup> Indirect involvement: "use, develop, produce, acquire, stockpile or trade non key components/services of controversial weapons"

- Involved in one or more of the following: human rights violations; environmental damages; corruption

#### **Review of the internal weighting for the controversy severity and the exclusion duration:**

##### **Controversy severity assessment**

The analyst determines the status of an issuer by analysing the ESG controversy intensity and the issuer's accountability in order to assign it to the Green List, the Watch List or the Restricted Issuers List.

Intensity of the controversy: the analyst assesses the impact related to the controversy.

These impacts can be material (oil / chemical spills, gas emission, areas deforested), or human (injuries, fatalities, number of displaced people, threat on food safety or on human health)

Issuer's accountability: the analyst assesses to what extent the company could have avoided the controversy. We need to understand if the company has set up sufficient resources to manage the risks.

##### **Exclusion duration**

For each issuer breaching Environment, Corruption and Human Rights guidelines and placed in Restricted and Watch Lists, we apply a 3-years exclusion rule and 1-year exclusion rule for companies breaching unconventional weapons guidelines.

After these periods, depending on the cases, we conduct a new analysis. The review of the situation should produce the following effects:

- ✓ If the situation is unchanged: to maintain the current status (until situation improves),
- ✓ If the situation has notably improved: to transfer the issuer to a less restrictive list,
- ✓ If the situation has worsened: to transfer the issuer to a more restrictive list.

A daily news update is carried out and the ethical filter news alert escalation process can be activated.

Considering the global geographic scope, this filter relies on the ESG monitoring carried out by one of our external providers, Vigeo/EIRIS. The investment perimeter is global. Vigeo/EIRIS is an external provider that enables continuous monitoring of ESG issues for approximately 5,000 issuers globally.

The SRI Team, leveraging on Vigeo/EIRIS, provides an in-depth ESG risk assessment of controversies that may potentially be breaching the criteria defined in the Group's Responsible Investments Guidelines.

- a. Based on the nature of the controversies in which issuers are involved, different methodologies are applied:
  - Case 1: Controversial weapons: the filter is based on the degree of involvement of the company and the category of controversial weapons, considering the relevant internal Treaties/Conventions
  - Case 2: Other ESG Issues (serious or systematic human rights violations, severe environmental damages and/or gross corruption): the inclusion of an Issuer into either the Restricted or the Watch List is based on an assessment of the intensity of the controversy and the issuer's accountability. The combination of the intensity and the level of accountability determined the severity of the controversy.
  - Case 3: Coal Sector. A company is Restricted if at least one of the following criteria applies:
    - company for which more than 30% of revenues derive from coal.
    - company for which more than 30% of energy produced derives from coal.
    - mining company that produce more than 20 million tons per year of coal.
    - company actively involved in building new coal facilities or plants.
- Controversy severity assessment (case 1 and 2)

The analyst determines the status of an issuer by analyzing the ESG controversy intensity and the issuer's accountability in order to assign it to the Green List, the Watch List or the Restricted Issuers List.

- Intensity of the controversy: The analyst assesses the impact related to the controversy. These impacts can be materials (oil / chemical spills, gas emission, areas deforested), or human (injuries, fatalities, number of displaced people, threat on food safety or on human health)
- Issuer's accountability: The analyst assesses in what extend the company could have avoided the controversy. We need to understand if the company has set up sufficient means to manage the risks.

- Exclusion duration (case 1 and 2)

For each issuer breaching Environment, Corruption and Human Rights guidelines and placed in Restricted and Watch Lists, we apply a 3-years exclusion rule and 1-year exclusion rule for companies breaching unconventional weapons guidelines.

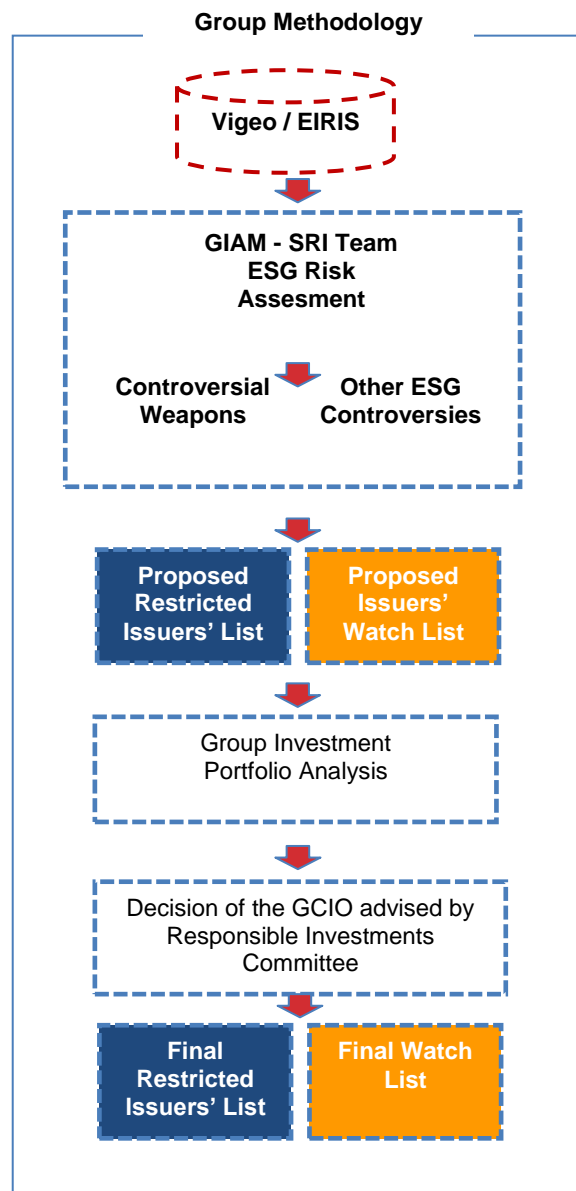
After the 3- or 1-year period depending on the case, proceed to a new analysis. The review of the situation should produce the following effects:

- If the situation is unchanged: to maintain the current status (until situation improves),
- If the situation has notably improved: to transfer the issuer to a less restrictive list,
- If the situation has worsened: To transfer the issuer on a more restrictive list.

Coal Sector exclusion (Case 3)

Companies matching exclusion criteria are automatically Restricted. The List of Restricted companies is managed directly by Group Head Office (Group Investment Governance and Stewardship) relaying on information provided by selected and specialised external research provider.

Illustration - Group Ethical Filter Process



## 4. Investment process

### 4.1. How are the results of the ESG research integrated into portfolio construction?

#### Communicating ESG eligible universe to portfolio managers

Our methodology, based on identifying risk and opportunities within the European universe (MSCI Europe), allows us to limit the exposure to companies displaying more ESG risks compared to their peers within a given sector.

Those risks may have extra-financial impacts on the companies, which can lead to financial consequences.

The results of the process described in the previous sections is made available to the portfolio managers via the SARA database and the monthly communication by the SRI team (by email) of the SARA Filter list - which includes the companies eligible to the ESG universe (monthly updates). The portfolio managers can then use the internal ESG ratings of companies when selecting their stocks based on financial metrics and fundamental bottom-up analysis.

Furthermore, our SRI analysts work in close cooperation with portfolio managers, notably in the event of an IPO and/or the potential selection of a stock outside the initial investment universe. Indeed, portfolio managers are allowed, within the portfolios' guidelines and limits, to include off-benchmark positions and/or mid-caps for instance - as long as the companies are vetted and approved by the SRI team prior to inclusion.

Indeed, following the ad-hoc analyses, only stocks approved by the SRI team can be selected by the portfolio managers for GIS' SRI sub-funds, similarly to European companies featured in the MSCI Europe index.

### 4.2. How are criteria specific to climate change integrated into portfolio construction?<sup>6</sup>

In terms of Climate change, we consider the risks attached to the Weighted average carbon intensity (TeqCO<sub>2</sub>/1m EUR sales)\* for the 2 SRI sub-funds, compared to their investment universe. We then also consider whether these results show an improvement over time.

Section	Category	Sub-category	Topic
Environment	Environment	Product design	Purpose
			Use & End of life
		Use of natural resources	Purchasing & Consumption
			Air (excepted GHG)
		Emissions	Greenhouse Gases
			Ground
			Water
			Waste management
			Biodiversity
		Ecosystem	Transport
			Local disturbances
External Social	Marketplace	Safety	Safety
		Quality	Quality
		Green Products & Services	Green Products & Services
		Access & Responsible Use	Access & Responsible Use
		Unfair competition	Unfair competition
	Social	Community impact	Community impact
		Ethical issues	Accident
Internal Social	Employment	Human Rights	Bribery
			Freedom of association
			Child labour
			Forced labour
		Working conditions	Diversity
			Health & Safety
		Compensation	Work conditions
		Career Management	Pay & Benefits
		Social dialog	Career Management
		Supply Chain	Social dialog
Corporate Governance	Corporate Governance	Corporate Governance	Environmental conditions of Supply Chain
			Employment conditions of Supply Chain
			Board composition and functioning
			Shareholders rights
			Remuneration
			Financial disclosure & External controls

As you can see in the above table, emissions impacting air quality are considered, as well as GHGs and other environmental considerations (waste management, water, soils, etc.) when carrying out a sector analysis from an ESG standpoint.

However, we do not use specific climate change indicators when constructing the funds' portfolios, as the funds are not focussing on Climate change / impact investing.

*\*The data used comes from Trucost, MSCI, Bloomberg, sustainable development reports and our SARA Database.*

#### 4.3. How are the issuers that are present in the portfolio, but not subject to ESG analysis evaluated (not including mutual funds)?<sup>7</sup>

*Please specify how much the funds can hold.*

All issuers present in our SRI sub-funds' portfolios are evaluated from an ESG perspective (minimum level as per the prospectus: 90%).

#### 4.4. Has the ESG evaluation or investment process changed in the last 12 months?

No, the overall ESG evaluation process has not changed over the past 12 months. However, the analysis of Governance aspects was transferred internally from the SRI Research team to the GPV&E team, as they have a Governance focus and coverage, with a more granular approach.

The investment process for the SRI sub-funds has not changed in the past 12 months.

#### 4.5. Is a part of the fund(s) invested in entities pursuing strong social goals/social enterprises?

The sub-funds are constructed based on a full ESG analysis of the investment universe, their sectors and the issuers, which includes social criteria (internal and/or external depending on the industry). However, the funds are not “impact funds” specialised in / dedicated to social goals/enterprises.

#### 4.6. Does (do) the fund(s) engage in securities lending activities?

*If so, is there a policy in place to recall the securities so as to exercise the voting rights?*

*(i) does the process for selecting the counterparty(ies) integrate ESG criteria?*

No, the sub-funds are not included in any securities lending programs.

<sup>5</sup>Reference to Article 173 of the French TECV Act see paragraphs 3 and 4 of Article D.533-16-1 of Chapter III of the French Legal Code):

<https://www.legifrance.gouv.fr/affichCodeArticle.do?cidTexte=LEGITEXT000006072026&idArticle=LEGIARTI000031793697>

<sup>6</sup>Reference to Article 173 of the French TECV Act and HLEG recommendations on DISCLOSURE

<sup>7</sup>Reference to Article 173 of the French TECV Act and the TCFD recommendations (delivering on investor and stakeholder demands for climate-related information)

#### 4.7. Does (do) the fund(s) use derivative instruments?

*If so, please describe*

*(i) their nature;*

*(ii) their objectives;*

*(iii) the potential limits in terms of exposure;*

*(iv) if appropriate, their impact on the SRI nature of the fund(s).*

The sub-funds are UCITS compliant funds and are therefore allowed to use derivatives (listed futures for instance) for Efficient Portfolio Management (EPM) purposes for instance.

However, the sub-funds are not using derivatives as part of their investment strategies.

#### 4.8. Does (do) the fund(s) invest in mutual funds?

*If so, how do you ensure compatibility between the policy for selecting mutual funds and the SRI policy of the fund(s)? How many funds can be held?*

No, the featured SRI sub-funds do not invest into other funds, solely in direct securities.



## 5. ESG controls

### 5.1. What internal and/or external control mechanisms are in place to ensure compliance of the portfolio with the ESG rules on managing the fund(s) as defined in section 4?<sup>8</sup>

The compliance with ESG rules in place is assessed in a number of ways:

- Firstly, the sub-funds' investment objectives clearly state the SRI nature of these funds and the level of compliance required (90%)
- Secondly, the sub-funds' investments carried out by the fund managers must be in compliance with our SRI approved list ("SARA"), based on the ESG analysis carried out by our SRI analysts for each sector of the MSCI Europe
- Thirdly, we have internal controls in place (pre-trade checks within our Investment Control team and post trade through the Luxembourg SICAV's Management Company) to ensure that the investments are SRI compliant
- Finally, the funds' ESG nature is assessed independently by both AFNOR Certification for the French Label ISR (both SRI funds) and the University of Hamburg for the German FNG Label (for GIS SRI Ageing Population only).

Please see links below:

<https://www.lelabelisr.fr/fonds-isr/>

<https://www.forum-ng.org/en/fng-sustainability-profile/fng-sustainability-profiles.html?start=50>

## 6. Impact measures and ESG reporting

### 6.1. How is the ESG quality of the fund(s) assessed?

The ESG quality of the funds is assessed in a number of ways:

- Firstly, the sub-funds' investment objectives clearly state the SRI nature of these funds and the level of compliance required (90%)
- Secondly, the sub-funds' investments carried out by the fund managers must be in compliance with our SRI approved list ("SARA"), based on the ESG analysis carried out by our SRI analysts for each sector of the MSCI Europe. We have a non-compliance ratio above 40% vs. the MSCI Europe universe
- Thirdly, we have internal controls in place (pre-trade checks within our Investment Control team and post trade through the Luxembourg SICAV's Management Company) to ensure that the investments are SRI compliant

- Finally, the sub-funds' ESG nature is assessed independently by both AFNOR Certification for the French Label ISR (both SRI sub-funds) and the University of Hamburg for the German FNG Label (for GIS SRI Ageing Population only).

Please see links below:

<https://www.lelabelisr.fr/fonds-isr/>

<https://www.forum-ng.org/en/fng-sustainability-profile/fng-sustainability-profiles.html?start=50>

## 6.2. What ESG indicators are used by the fund(s)?<sup>9</sup>

Though the sub-funds are not impact investing funds, we chose to follow 4 criteria for both funds:

- ✓ the % of independent directors (Governance)
- ✓ the % of women in boards of directors (Governance & Social)
- ✓ the employee turnover rate (Social)
- ✓ the carbon footprint (Environmental).

See more details in our “Socially Responsible Investing” guide:

<https://www.generali-investments.com/fr/en/institutional/core-capabilities/#sri>

## 6.3. What communication resources are used to provide investors with information about the SRI management of the fund(s)?

We provide our investors with information relating to our SRI approach and process through our websites as well as websites from independent and official SRI certifiers:

Type of document	Where to find it	Updates (frequency)
SRI guide (covering Article 173 report requirements)	Generali Investments' website	Annually (or ad hoc if significant change)
EUROSIF Transparency code	FIR website	Annually
	Generali Investments' website	Annually
SR-Highlight (newsletter)	Generali Investments' website	3 times per annum
Voting policy & report	Generali Group's website	Annually

Responsible investment guidelines	Generali Group's website	Annually
SRI funds - ESG reports	GI website	Annually
SRI brochure	GI website	Ad-hoc
SRI labels	<ul style="list-style-type: none"> <li>- Label ISR website <a href="http://www.lelabelisr.fr/fonds">http://www.lelabelisr.fr/fonds</a></li> <li>- FNG Label website <a href="https://www.forum-ng.org/en/fng-sustainability-profile/fng-sustainability-profiles.html?start=50">https://www.forum-ng.org/en/fng-sustainability-profile/fng-sustainability-profiles.html?start=50</a></li> </ul>	Annually

#### 6.4. Does the fund management company publish the results of its voting and engagement policies?<sup>10</sup>

*If so, please include links to the relevant activity reports.*

Yes, GIAM publishes the results of the proxy voting and engagement policy, on behalf of Generali Investments.

Voting policy and annual report on voting & active ownership available online:

<https://www.generali-investments.com/fr/en/institutional/proxy-voting/>

<sup>8</sup> Reference to Article 173 of the French TECV Act

<sup>9</sup> Reference to Article 173 of the French TECV Act

<sup>10</sup> Reference to Article 173 of the French TECV Act and the HLEG recommendations on GOVERNANCE

#### Disclaimer

GIS SRI Ageing Population and GIS SRI European Equity are sub-funds of Generali Investments SICAV (an investment company qualifying as a "société d'investissement à capital variable" with multiple sub-funds under the laws of the Grand Duchy of Luxembourg) managed by Generali Investments Partners S.p.A. Società di gestione del risparmio. The information contained in this document is only for general information on products and services provided by Generali Investments Partners S.p.A. Società di gestione del risparmio. It shall under no circumstance constitute an offer, recommendation or solicitation to subscribe units/shares of undertakings for collective investment in transferable securities or application for an offer of investments services. It is not linked to or it is not intended to be the foundation of any contract or commitment. It shall not be considered as an explicit or implicit recommendation of investment strategy or as investment advice. Before subscribing an offer of investment services, each potential client shall be given every document provided by the regulations in force from time to time, documents to be carefully read by the client before making any investment choice. Generali Investments Partners S.p.A. Società di gestione del risparmio, periodically updating the contents of this document, relieves itself from any responsibility concerning mistakes or omissions and shall not be considered responsible in case of possible damages or losses related to the improper use of the information herein provided. Past performance is not a guarantee of future performance the subfunds present a risk of loss of capital. The client shall carefully read the KIID, which must be delivered before subscribing the investment, and the prospectus which are available on our website ([www.generali-invest.com](http://www.generali-invest.com)), on Generali Investments Luxembourg S.A. (management company of Generali Investments SICAV) website ([www.generali-investments-luxembourg.com](http://www.generali-investments-luxembourg.com)), and by distributors. Generali Investments is part of the Generali Group which was established in 1831 in Trieste as Assicurazioni Generali Austro-Italiche. Generali Investments is a commercial brand of Generali Investments Partners S.p.A. Società di gestione del risparmio, Generali Insurance Asset Management S.p.A. Società di gestione del risparmio, Generali Investments Luxembourg S.A. and Generali Investments Holding S.p.A.