



Sustainability Policy

Code PY055	Version 005	Date of approval 20/06/2024	
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VERSIONING

Version	Date of approval	Summary description of amendments	Repealed/Replaced regulation
004	20/06/2024	The Policy has been revised to include the principles and guidelines contained in the repealed policies and to define the Group Sustainability Framework.	PY037 Policy for the Environment and Climate PY072 Active Ownership Policy PY057 Responsible Investment Policy
005	19/12/2024	Diversity, Equity & Inclusion guidelines integrated into the Policy	

POLICY OWNER

Head of the **General Counsel & Sustainability Area**

GLOSSARY	
Banca Generali or Bank or Company or Parent Company	Banca Generali S.p.A.
Active Ownership	A set of responsible active investment strategies for managing the assets held in portfolio (issuers, funds and their managers), aimed at pursuing a significant improvement in these assets' sustainability performance. It takes the form of engagement (i.e., direct dialogue with issuers), and exercise of voting rights and participation in Shareholders' meetings (so-called voting)
Direct Assets	Investments in equities and bonds issued by companies
Indirect Assets	Investments held indirectly in companies through subscription of fund units, including, by way of example, UCITS, ETFs
Communities	All the social and cultural entities with which Banca Generali liaises as part of its activities
Subsidiaries	The companies controlled from time to time by Banca Generali and belonging to Banca Generali Group
Internal Code of Conduct or Code of	The Code which establishes the rules of conduct for those who work or act on behalf of Banca Generali to ensure conduct in accordance with the highest standards of business integrity
Ethical Code of Suppliers of Generali Group	The Code, adopted by Banca Generali, containing the principles of behaviour and conduct expected of contractual partners of Generali Group's companies, including compliance with the principles of ethics, propriety, fairness and transparency, as well as compliance with the laws on data protection, worker protection and environmental protection
ESG or Sustainability Factors	Environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters, as defined by Regulation (EU) 2019/2088
E Factor	Aspects related to the quality and functioning of the environment and natural systems, including: greenhouse effect and climate change; the availability of natural resources, including energy and water; changes in the use of soil and urbanisation; quality of the air, water and soil; waste production and waste management; the protection of natural habitats and biodiversity
S Factor	Aspects related to the rights, well-being and legitimate interests of people and local communities, including: human rights, diversity and promotion of equal opportunities; demographical changes; occupation and the right to decent working conditions — including child and forced labour —, as well as occupational health and safety; the distribution of

	wealth and inequalities within and among countries; migrations; education and human capital development; digital transformation, artificial intelligence, the Internet of Things and robotics; health and access to social assistance and healthcare; consumer safety; power diffusion and the crisis of traditional intermediate bodies.
G Factor	Aspects related to governance of the companies and organisations, including: transparency; ethics and integrity in business practices and compliance with laws; corruption; tax responsibility; structure, independence, size and diversity of governing bodies; incentive mechanisms for managers; shareholder and stakeholder rights, protection/distortion of competition
Sustainability Framework	General framework for managing sustainability-related topics
Global Compact or the United Nations or UN Global Compact	A voluntary initiative launched by the United Nations to encourage businesses the world over to define an economic, social and environmental framework aimed at promoting a sound and sustainable global economy that gives back to all people
Banking Group	The group made up of the companies associated with one another by virtue of the control exercised by Banca Generali
Generali Group	Assicurazioni Generali Group
PAI (Principal Adverse Impact)	Material or potentially material principal adverse impacts of investment decisions on sustainability factors, as defined by Commission Delegated Regulation (EU) No. 2022/1288
Partnership	Virtuous collaboration aimed at gradually improving actions in support of communities and local areas
Regulation (EU) No. 2019/2088	Regulation of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR – Sustainable Finance Disclosure Regulation)
Sponsorships	Financing of sports initiatives, shows, artistic or cultural events for advertising purposes
Sustainability Ambition	The Banking Group's ambition to generate long-term value for the benefit of all its stakeholders, by being an active member of the communities in which it operates in a way that extends beyond its day-to-day activities
Banking Group's Top Management	Within the context of this Policy, it is represented by the Managing Committee, an advisory body set up to assist the Company's top managers and to analyse, <i>inter alia</i> , matters related to the Banking Group's social, environmental and sustainability responsibility
UN Principles for Responsible Investments or PRI	Initiative officially supported by the United Nations, aimed at promoting and encouraging the dissemination of socially responsible investments among each country's investors

**UN Global Compact or
Global Compact**

Strategic corporate citizenship initiative of the United Nations aimed at promoting a sustainable global economy

1 INTRODUCTION

1.1 SUBJECT MATTER AND OBJECTIVES OF THIS POLICY

This Policy has been adopted with the aim of defining the Banking Group's strategic sustainability principles. In consideration of the services rendered by the Bank and/or by the Group Companies, some particularly significant topics are specifically governed by ad-hoc regulations. In light of the foregoing, this Policy:

- defines the Banking Group's Sustainability Framework so as to identify, assess and manage the risks and opportunities associated with ESG factors, in line with the evolution of the industry's ESG regulations;
- describes the Banking Group's Sustainability Ambition, which must take into account the materiality analysis process and the methods used to integrate ESG factors into the Company and its business;
- illustrates the factors supporting sustainability, including the governance model, internal regulations and the risk framework, remuneration, monitoring and reporting.

This Policy is inspired by the commitments that Banca Generali undertook by signing the UN Principles for Responsible Investments (PRI) and the Principles of the UN Global Compact, while also taking account of the principles defined within this Policy.

1.2 DOCUMENT MANAGEMENT

This Policy is approved through resolution passed by the Bank's Board of Directors, based on a prior preliminary analysis by the Sustainability and Innovation Committee.

Any amendments to this Policy that are necessary and/or appropriate, classified as "of lesser importance" according to the Guidance Policy on the Preparation and Updating of Corporate Policies and Regulations, are approved by the Chief Executive Officer on the proposal of the General Counsel & Sustainability Area (hereinafter the "**Owner**") and of the Organisation Department, in consultation with the Compliance and Anti-Financial Crime Department, the Risk Management Department and the Corporate Affairs and Relations with Authorities Department, when needed.

The **Owner** is responsible for verifying, at least every two years from the date of issue/last revision, the possible need for updating this Policy, taking into account its compliance with the relevant regulatory framework, the strategy of the Bank and the entire Banking Group, and the operational and organisational context in which the Bank and the Banking Group operate.

1.3 REGULATORY FRAMEWORK

External regulations:

- Regulation (EU) No. 2019/2088 (so-called SFDR) on sustainability-related disclosures in the financial services sector;
- Italian Legislative Decree No. 58/1998 (TUF);
- Consob Issuers' Regulation;

- Directive 2014/65/EU (MiFID II) of the European Parliament and of the Council of 15 May 2014 and further implementing measures contained in secondary Regulations and Directives, as well as the related national transposing provisions;
- Directive 2009/65/EU (UCITS) of the European Parliament and of the Council of 13 July 2009 and further implementing measures contained in secondary Regulations and Directives;
- Directive 2017/828 (so-called Shareholders Rights II) of the European Parliament and of the Council amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement;
- Directive (EU) 2022/2464 (so-called (CSRD) of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting;
- Italian Stewardship Principles for the exercise of administrative and voting rights in listed companies and the best practices Recommendations defined by Assogestioni and inspired by the EFAMA Code for External Governance;
- Principles for Responsible Investment promoted by the United Nations, of which the Group has been a signatory since December 2022.

Internal regulations:

- Charter of Sustainability Commitments
- Internal Code of Conduct
- Whistleblowing Policy
- Reputational Risk Management Policy
- Operational Risk Management Policy
- Strategic Risk Management Policy
- Financial Portfolio Risk Management Policy (market, counterparty and credit risks of financial instruments)
- Credit Risk Management Policy
- Risk Appetite Statement
- Credit Regulation
- Commercial and Product Governance Policy
- Ethical Code for Suppliers of the Generali Group
- Regulation on the Portfolio Management Investment Process
- Responsible Investment Policy – proprietary portfolio
- Policy on the Provision of Investment Advisory Service
- Rules of the Board of Directors and the Board Committees of Banca Generali
- Diversity Policy for Members of Company Bodies
- Anti-Money Laundering, Counter-Terrorist Financing, and International Sanction Policy (AML/CTF/IS Policy) of Banca Generali Banking Group
- Data Protection Policy
- Rules of the Board of Statutory Auditors
- Internal regulations on procurement
- Policy for Determining the Banking Group's Remuneration and Incentive Policies

1.4 SCOPE OF APPLICATION

This Policy applies to Banca Generali and its Subsidiaries.

The Subsidiaries implement the Policy in compliance with the legal and regulatory requirements applicable to their activity or place of incorporation. If one or more provisions contained in the Policy are less restrictive than local legislation, the company concerned will adopt the most restrictive local law in force. The Subsidiaries' Boards of Directors are required to adopt, by specific resolution, this Policy, adopted by Banca Generali, thereby assuming responsibility for ensuring knowledge thereof and application to matters within their scope and their core business.

If conflicts with local laws and regulations emerge, or if, in application of the proportionality principle, it becomes necessary to derogate, in whole or in part, from the Policy, the Managing Director or General Manager of the Banking Group's company in question provides Banca Generali, in advance, with a comprehensive, reasoned account of said derogations, which thus the latter shall approve or reject.

2 ROLES AND RESPONSIBILITIES

- **Board of Directors (BoD):** as the body with strategic oversight functions, it is responsible for managing the Company and pursuing its sustainable success with a view to creating long-term value for the benefit of the Company's shareholders and other relevant stakeholders. It is also responsible for defining the Banking Group's business strategies and monitoring their implementation on an ongoing basis. The strategic oversight body plays an active steering and governing role in integrating climate and environmental risks into the corporate culture and strategy, as well as in the corporate risk appetite framework and in the risk limits of the managed portfolios, accordingly adjusting the main corporate policies and the organisational and management systems. To this end, the Board of Directors approves a specific action plan. The Board already has specialised professionals who complement the qualitative and quantitative composition with specific ESG skills, and also provides ongoing training to Board members. Moreover, after having heard the opinion of the Sustainability and Innovation Committee, the Board approves this Policy and any major amendments to it.

- **Board Committees:** sustainability governance is adapted transversally, across the areas of responsibility of each Board Committee¹, so as to enable a more accurate analysis and integration of ESG matters in each discussion, as defined in the Rules of the Board of Directors and of the Board Committees.

In detail, the **Sustainability and Innovation Committee** supports the Board of Directors with integrating sustainability into the definition of business strategies, with particular regard to the analysis of issues relevant to ensuring the creation of long-term value for the Company and the Banking Group, and regularly assesses the updates on the progress of sustainability and innovation projects, in addition to overseeing all sustainability matters related to the Banking Group's operations and the way in which it interacts with all stakeholders, also fostering a culture of sustainability within the Bank and the Banking Group Companies. The Committee also supports the Board of Directors in updating the Sustainability Policy in force from time to time, supervising its implementation.

- **Board of Statutory Auditors:** in its capacity as the control body, it also oversees compliance with the provisions on disclosure of non-financial information (NFS), pursuant to Italian Legislative Decree No. 254/2016.
- In its capacity as advisory body supporting top managers, the **Managing Committee** analyses all issues related to social and environmental responsibility and sustainability at the Banking Group level, in compliance with the guidelines and principles defined by the Sustainability and Innovation Committee, so as to define the opportunities, risks, common objectives, targets, areas for improvement and reporting methods for the sustainability report.

¹ Sustainability and Innovation Committee; Nomination and Governance Committee; Remuneration Committee; Internal Audit and Risk Committee; Credit Committee.

- **Chief Executive Officer and General Manager:** on the proposal of the Head of the General Counsel & Sustainability Area and the relevant Competent Persons, the CEO and General Manager approves the internal regulations implementing this Policy.
- **General Counsel & Sustainability Area:** through the Banking Group Sustainability Service, it is responsible for coordinating the implementation and circulation of the sustainability strategy, through constant dialogue with the various company structures², while ensuring the correct flow of information within the Group and promoting Banca Generali's values and mission. This Service is also responsible for drafting and updating this Policy, in addition to coordinating its implementation at the Banking Group level.
- **Compliance and Anti-Financial Crime Department:** through the Compliance Service, it manages the risk of non-compliance with the applicable sustainability-related regulations in force. Particular attention is paid to client and investor protection in relation to the consideration of ESG characteristics in the provision of financial products and services, both in the preparatory phase of development and in the periodic review and monitoring of compliance control measures. In addition, the Compliance Service supports the Banking Group Sustainability Service with updating this Policy, while also ensuring its compliance with the regulations in force.
- **Risk Management Department:** it oversees the management of ESG risks to which the Group is exposed by establishing guidelines through the integration of the Risk Appetite Framework (RAF) and the Risk Management Policies. In addition, to ensure the Banking Group's alignment with sustainability objectives, it analyses significant extraordinary transactions from a preventive perspective to identify risks and propose mitigation measures, while also providing preliminary opinions on their RAF compliance. The Department plays an active role in ensuring that the recommended measures are adopted by the relevant functions and reported to the Corporate Bodies in accordance with the escalation processes set out in the specific risk policies.
- **Internal Audit Department:** as a third-line control body, it can review the normal course of business and the evolution of ESG-related risks.
- **CFO & Strategy Area:** through the Manager in Charge of preparing the Company's financial reports, it is responsible for supervising the process of drafting the Annual Integrated Report, as well as for its publication and dissemination, by activating and involving all necessary corporate functions.
- **HR Department:** defines and oversees the guidelines and principles regarding Diversity, Equity & Inclusion, implements them in the Bank's HR processes, and promotes their dissemination within the organization by involving Top Management, Heads of Departments, and employees.

² In light of the Bank of Italy's supervisory expectations for climate-related and environmental risks, Banca Generali's ESG governance model falls within the definition of "mixed" approach.

- **Other structures:** all other Parent Company structures involved in ESG processes in various capacities support the processes and their implementation in accordance with the Internal Code of Conduct.
- **Subsidiaries:** sustainability governance identifies, within each of Banca Generali's subsidiaries, a dedicated person for the implementation and ongoing oversight of sustainability-related activities, in agreement with the Banking Group Sustainability Service. The Boards of Directors of Subsidiaries are required to adopt this Policy, by specific resolution, thereby assuming responsibility for ensuring knowledge thereof and application to matters within their scope. Each Subsidiary's Managing Director or General Manager is responsible for implementing this Policy and must request advance approval for any derogations from this Policy from the Parent Company, Banca Generali.

3 THE SUSTAINABILITY FRAMEWORK

The Banking Group believes that economic prosperity is built on social justice and just and sound environmental management. It therefore defines sustainability as the ability to create value in the long term, taking care of the environment and stakeholders along with pursuing financial performance.

In order to achieve its sustainable development targets, Banca Generali's Board of Directors has defined the Sustainability Framework, which provides an overview of the methods for managing sustainability, focusing in particular on:

- defining the Sustainability Ambition, i.e., the principles that inspire the strategic choices and their implementation, in line with the objectives set by the Board of Directors (paragraph 3.1);
- defining material topics, i.e., identifying relevant sustainability topics to be integrated into the Banking Group's main processes (paragraph 3.2);
- defining the factors that support sustainability, i.e., the key elements required to enable the integration of sustainability into all Banking Group activities such as governance, internal regulations and the risk framework, remuneration and incentives, monitoring and reporting (paragraph 3.3);
- defining the principles for integrating sustainability into the Company and its business, with particular reference to the provision of financial services, in accordance with the regulatory requirements in force from time to time (paragraph 3.4).

Banca Generali's Board of Directors also granted the Chief Executive Officer the power to define and approve more detailed guidelines regarding several strategic principles included in this Policy.

The General Counsel & Sustainability Area forwards the guidelines to the Subsidiaries, which transpose them in accordance with the legal and regulatory requirements applicable to their activities or place of incorporation. If any of the provisions contained in the guidelines are less restrictive than local legislation, the company concerned will adopt the most restrictive local law in force. The Subsidiaries' General Managers/Managing Directors/Chief Executive Officers are required to adopt, by specific resolution, these guidelines, adopted by Banca Generali, thereby assuming responsibility for ensuring knowledge thereof and application to matters within their scope and their core business.

3.1 THE SUSTAINABILITY AMBITION

The Banking Group is strategically committed to pursuing the Sustainable Development Goals identified by the United Nations 2030 Agenda (the "SDGs"), including for the purpose of generating long-term value for the benefit of all its stakeholders, by being an active member of the communities in which it operates in a way that extends beyond its day-to-day activities.

In defining its company strategy and in implementing its policies, the Banking Group takes constantly into account the interests of its stakeholders and the economic, environmental and social impacts of its activities.

This Policy aims to integrate into company processes the sustainability model defined by the Banking Group that, in line with:

- Banca Generali's Vision and Mission;
- the Charter of Sustainability Commitments;
- the principles stated in the Internal Code of Conduct and in the main related regulations,

defines the short-, medium- and long-term objectives for doing business responsibly, thus contributing to creating a sound, resilient and sustainable society.

3.2 MATERIALITY ASSESSMENT

The materiality assessment process aims to regularly identify and prioritise the relevant sustainability matters. These matters can be used for strategic, risk management and reporting purposes, taking into account the external context and stakeholders' expectations.

The sustainability matters fall within the broader ESG (Environment, Social and Governance) factors, a non-exhaustive list of which is given in the following table:

ESG Factors	Example of sustainability matters categories
Environment (E)	Aspects related to the quality and to the functioning of the environment and natural ecosystems, including climate change, environmental degradation and unsustainable practices.
Social (S)	Aspects related to the rights, well-being and legitimate interests of people and local communities, including human rights, customer characteristics, lifestyle and efficiency of the healthcare system.
Governance (G)	Aspects related to management of companies and organisations, including bribery and corruption, product and service quality, corporate culture and business conduct, and tax efficiency.

In the short-, medium- and long-term horizon³, the Banking Group's materiality analysis applies both the **impact materiality** approach (inside-out perspective), focusing on the material impacts of the Company's activities on people or the environment, and the **financial materiality** approach (outside-in perspective), which identifies and analyses the intensity/severity of risks and opportunities that have or will have a material impact on the Company's development, capital and financial position and cash flows.

The Banking Group deems it fundamental to engage its internal and external relevant stakeholders in the process of defining, validating and prioritising material topics (**stakeholder engagement**): creating and maintaining regular stakeholder relations based on ongoing dialogue and on their active engagement is an essential prerequisite for the Banking Group's sustainable success and for its long-term value creation, in addition to enabling stakeholders' specific needs to be understood and an effective strategy to be thus developed.

The Banking Group periodically identifies its relevant stakeholders, in line with the materiality analysis process and with the definition of the three-year strategic plan. The type of stakeholder engagement (e.g., participation, consultation or information) and its frequency are instead determined based on the stakeholder category's characteristics and the Banking Group's needs. Stakeholder engagement initiatives are aimed at identifying stakeholders' needs and interests, with a view to integrating their feedback in the decision-making process.

³ Short-term horizon: up to one year. Medium-term horizon: from one to five years. Long-term horizon: beyond five years.

In detail, the assessment process duly takes into consideration the opinion of the Bank's Managing Committee, the position of the Subsidiaries' representatives — in order to take account of the specific characteristics of the Banking Group companies —, and Generali Group's materiality analysis, together with the informed opinion of the Banking Group Sustainability Service, stakeholders and any external experts.

The materiality analysis is led by the Head of General Counsel & Sustainability Area, supported by the Banking Group Sustainability Service, and envisages the involvement of the Risk Management Department in order to integrate risk assessment into the definition of materiality.

After identifying an initial list of potentially material sustainability topics and their relevant impacts, risks and opportunities for the Banking Group, also by means of a benchmark analysis and based on the current legislation, the materiality of each sustainability topic is analysed according to the impact materiality (inside-out) and financial materiality (outside-in) perspectives.

The outcome of these two assessments is a list of topics to be subjected to the evaluation and opinion of the Banking Group's main stakeholders (e.g., the Managing Committee, employees and the Financial Advisor Network), who prioritise the topics identified.

The stakeholder engagement results are aggregated, thereby defining, based on a predefined threshold, the final list of material topics. The list is then submitted for approval to Banca Generali's Board of Directors, after prior opinion by the Sustainability and Innovation Committee.

The materiality analysis is reassessed each year and updated in line with the Banking Group's strategic plan. It can be modified if material changes of the context occur after the approval process.

3.3 SUSTAINABILITY ENABLERS

3.3.1 SUSTAINABILITY GOVERNANCE

Banca Generali considers sustainability to be a fully-fledged strategic orientation, supported by sound internal governance that is enacted through the powers and responsibilities of the main corporate bodies, such as the Board of Directors, the Board Committees, the Board of Statutory Auditors, the Managing Committee, and the various business and control functions. For details on their respective roles, reference should be made to the relevant chapter 2.

In detail, the General Counsel & Sustainability Area, through the Banking Group Sustainability Service, is tasked with coordinating the implementation and cascading of the sustainability strategy, through constant dialogue with the structures involved, on a case-by-case basis, in relation to the specific subject matter.

3.3.2 INTERNAL REGULATIONS

To correctly integrate sustainability in its company processes, the Banking Group includes sustainability considerations and risks within its internal regulations. In this sense, the Banking Group Sustainability Service, supported by the Compliance Service, monitors the legal framework with a view to aligning the Bank's activities and internal regulations accordingly.

3.3.3 RISK FRAMEWORK

The integration of the ESG framework in risk governance is aimed at ensuring the Banking Group's business solidity and continuity.

With this aim, the ESG risk management framework provides for the following:

- **analysis of ESG risk best practices and regulations** issued by international and European supervisory authorities and standards. The alignment of internal regulations and of the risk management framework with regulatory requirements is consistent and proportionate to the Group's business model;
- **identification of ESG risks:** as part of the Risk Inventory process, the periodic risk mapping process maps all risks to which the Group is or may be exposed. For ESG risks, a specific analysis is conducted to identify the aspects common to traditional risk categories (credit, operational, market, etc.) and to assess their relevance and potential impact (materiality heatmap), using the PxExV method (Probability x Exposure x Vulnerability);
- **integration of ESG risks in the Risk Appetite Framework:** ESG risks are integrated in the reference framework to determine the RAF, both in the Risk Appetite Statement, which qualitatively defines positioning in terms of strategic objectives and the related risk profiles, and in the Dashboard, through a thorough selection of the quantitative metrics and indicators developed that are deemed most representative;
- **stress test:** inclusion of the ESG risk factors identified as the most relevant to the Banking Group in its capital adequacy and liquidity assessments;
- **reporting:** periodic monitoring and reporting of the position of ESG risk indicators in the *Tableau de Bord* and in the Dashboard prepared by the Risk Management Department.

3.3.4 REMUNERATION AND INCENTIVES

Sustainability is integrated in the Banking Group's remuneration and incentive strategy, consistently with its vision, values and governance. Provision is made for the sustainability policy to be in line with the market's best practices and legal requirements, and to be transposed in each Subsidiary taking into account its type of business and local regulations.

The Bank's commitment to sustainability is consolidated by including a wide range of ESG metrics in short-, medium- and long-term incentive systems (of an annual or long-term nature), so as to fully integrate the Remuneration and Incentive Policy into the priorities of the three-year Strategic Plan.

In particular, in order to identify, evaluate and manage ESG factors that may pose risks and opportunities for the achievement of business objectives, the Bank has identified the interests of customers and Financial Advisors, employees, shareholders, communities and future generations and takes them into account in defining its Remuneration and Incentive Policy. Accordingly, Banca Generali adopts short- and long-term incentive systems, supported by performance management.

One of the objectives of the Remuneration and Incentive Policy is to ensure sustainable pay for sustainable performance, maintaining consistency between remuneration and performance and between compensation and creation of stakeholder value, while also rewarding both actual results and how such results were achieved. To this end, the Bank has adopted a remuneration structure based on risk-adjusted performance, which at the same time does not encourage excessive risk-taking, including with regard to sustainability risks.

3.3.5 MONITORING AND REPORTING

The Banking Group is committed to monitoring and disclosing its ESG performances. Measurement, monitoring and reporting are essential to promote transparency and integrity in the Banking Group's business, to support the Board of Directors' steering and managing role in integrating climate and environmental risks into the corporate culture and strategy, and to assist top managers in defining ESG opportunities, risks, targets and areas for improvement.

The environmental and social report is published yearly in the Annual Integrated Report and ESG risks are reported in the Pillar 3 disclosure. Both reports are available on Banca Generali's corporate website.

With specific regard to the reporting activity:

- the Banking Group Sustainability Service:
 - on a half-yearly basis, coordinates the process of collecting, managing and controlling data related to the Sustainability Dashboard, an information tool that provides the Board of Directors and Top Managers with the identification of key ESG KPIs and targets in line with the Strategic Plan objectives;
 - on a quarterly basis, updates the ESG projects action plan and prepares the related report for Top managers and the Sustainability and Innovation Committee.
- The Risk Management Department updates and presents quarterly the *Tableau de Bord* inclusive of ESG KPIs to the Board of Directors.

The Subsidiaries adopt the necessary control measures to collect and forward the required data to the Parent Company according to the Banking Group's sustainability objectives and targets, ensuring its quality and integrity.

3.4 SUSTAINABLE CORPORATE PRINCIPLES

3.4.1 INTEGRITY IN CORPORATE MANAGEMENT

Integrity in corporate management is a fundamental value for Banca Generali, which constantly operates in compliance with laws, policies, internal regulations and professional ethics.

In particular, Banca Generali has adopted an Internal Code of Conduct⁴ (the “**Code**”), in line with the principles set forth in the Code of Conduct of Generali Group and aimed at clearly defining the rules of conduct that the Bank’s administrative and control bodies, employees and collaborators must comply with.

The Code draws particular attention, *inter alia*, to fight against corruption, money laundering and financial crimes, to full transparency in relations with clients, the market and suppliers, as well as to personal data protection and respect for human rights.

With a view to promoting the dissemination of a corporate culture characterised by proper behaviours, the Bank provides for the possibility of reporting any irregularities or breaches of the rules governing the Company’s activities through secure and confidential channels, available to all those who work for the Bank, shareholders and persons with administrative functions⁵, as envisaged by the Whistleblowing Policy.

3.4.1.1 FIGHT AGAINST CORRUPTION AND PREVENTION OF FINANCIAL CRIMES

The Banking Group is committed to operating in accordance with the highest ethical standards, condemning and combating corruption and bribery in all forms. In addition, Banca Generali and its Subsidiaries are highly active in the international fight against money laundering and terrorist financing, ensuring that the products and services offered are not used for these purposes.

These commitments are stated first and foremost in Banca Generali’s Code⁶ and internal regulations, such as the Anti-Money Laundering, Counter-Terrorist Financing, and International Sanction Policy (AML/CTF/IS Policy) of Banca Generali Banking Group. Furthermore, as a signatory of the Global Compact, the Banking Group shares, supports and applies the principle relating to the fight against corruption in its spheres of influence.

In this regard, all employees must behave honestly, adhering to professional ethics and refraining from offering or accepting undue payments, gifts, forms of entertainment, or other undue benefits. The Banking Group does not make any contributions (or participate in any other type of expenditure) in connection with political activities such as elections or referendums held by local, regional or national political organisations or candidates.

In order to spread a corporate culture of legality, the Bank offers its employees and Financial Advisors continuous and specific training on anti-corruption and anti-money laundering, with regular in-depth sessions (initial training or refresher courses) in line with legislative provisions. In addition, the

⁴ The Internal Code of Conduct of Banca Generali is also adopted by its Subsidiaries.

⁵ In accordance with current legislation, reports can be made by the following persons: employees (any type of contract), interns; Financial Advisors; third parties who have long-term relationships and business relationships with the Bank or the Banking Group (e.g., coordinated and continuous collaborations).

⁶ See principles 3.1.11 and 3.1.12.

members of the Bank's administrative and supervisory bodies, employees, Financial Advisors and collaborators are required to always keep up to date with the main restrictive measures adopted by local authorities and international organisations against certain countries, persons, goods or services.

Moreover, Banca Generali carries out an annual self-assessment of the risks of money laundering and terrorist financing both at individual and Banking Group level, in accordance with the instructions issued by the Bank of Italy and/or the local regulatory authorities. This makes it possible to verify the adequacy of the organisational control measures in place, in order to mitigate any risks identified.

3.4.1.2 DATA PROTECTION

The Banking Group considers personal data protection to be a priority element of its business in protecting the fundamental rights and freedoms of its clients, employees, collaborators, suppliers and third parties.

As indicated in the Code, the Bank guarantees that the personal data of data subjects are processed lawfully, correctly and transparently.

In their capacity as personal data controllers, the Bank and the Banking Group Companies provide for internal controls and reviews of the personal data processed, so as to ensure that they are always accurate and up-to-date, as well as adequate, relevant and limited to what is necessary in relation to the purposes of the processing that is being pursued and that has been disclosed to the data subjects.

In this regard, a Data Protection Policy has been adopted that defines the guidelines that Banca Generali and the Banking Group Companies must comply with to ensure the protection of personal data in accordance with the provisions laid down by applicable EU legislation, namely the General Data Protection Regulation (GDPR) and the related Italian harmonisation legislation (c.d. Privacy Code). Personal data protection is included, by default, in the operational risk management/compliance system; in this regard, it should be noted that where a type of processing may present a high risk to the rights and freedoms of natural persons, an assessment of its impact on the rights and freedoms of the data subjects is carried out before the processing is executed. In addition, whenever a new processing is planned or an existing processing is modified or, in any event, whenever the risk associated with a processing changes, Banca Generali assesses the need or advisability of carrying out a Data Protection Impact Assessment (DPIA) given the risk that the processing may generate for the freedom and rights of the Data Subjects, by applying the methodology developed and approved within the Banking Group.

The Data Protection Policy applies to all personal data processing activities, including those performed by suppliers.

Banca Generali has adopted the necessary measures to mitigate and prevent potential personal data breaches, such as the adoption of a company regulation for the processing of personal data that defines, *inter alia*, the methodologies regarding data breaches and privacy risk assessment, as well as violations of IT security policies and strategic guidance on information communication technology (ICT), which provide for the use of specific systems and tools such as firewall, anti-malware and antivirus to protect the Bank's IT systems. Banca Generali also provides for the provision of specific training courses for its employees and collaborators, the periodic review of the control measures adopted in compliance with industry regulations, as well as the adoption of initiatives aimed at raising the awareness of employees, collaborators and clients regarding data protection and security in order to avoid any fraud attempts by third parties.

The point of contact for personal data protection is the Data Protection Officer (DPO) identified internally by the Bank and its Subsidiaries in accordance with applicable legislation; the Compliance Service, which performs second-line controls, is involved in monitoring and assessing the risk of non-compliance with regard to data protection.

3.4.1.3 PROTECTION OF HUMAN RIGHTS

In line with its corporate culture and in order to contribute concretely to economic and social development in all its spheres of influence, the Banking Group's actions are constantly inspired by the principles and values contained in the United Nations Universal Declaration of Human Rights as regard respect for and protection of human rights.

The Banking Group also complies with the ten principles of the Global Compact (UNGC), of which it is a signatory, and is committed to acknowledging and endorsing the value of the sustainability-related principles laid down by the European Union, the Organisation for Economic Co-operation and Development (OECD), the United Nations (UN) and the International Labour Organization (ILO).

In addressing these topics, including those relating to occupational health and safety, Banca Generali has adopted an approach aimed at eliminating and preventing risks, with the goal of continuously improving the working environment and its performance.

The following is Banca Generali's approach to the protection of human rights for the following categories of stakeholders: clients, suppliers, communities and employees of the Banking Group.

In carrying out its activities, the Bank acts in the interest of its clients, offering products and services appropriate to their needs, operating in a proper, honest, loyal and professional manner and refraining from using deceptive or misleading practices towards them, as required by the Internal Code of Conduct.

The Bank also pays utmost attention to managing clients' personal data so as to ensure it is processed in a manner respectful of data protection rights and is inaccessible to third parties solely for justified company reasons or where a specific external mandate exists.

In its supplier relationships, the Banking Group guarantees priority and transparency, mitigating any conflict of interest: the creation of a long-lasting and mutually beneficial network of relationships is indeed a strategic objective and a source of competitive success since it allows product and service quality to be kept high at all times.

The selection of suppliers is governed by specific internal regulations and follows clear, well-defined and non-discriminatory procedures. It is based only on objective, measurable and transparent parameters linked to the quality of the products and services offered and requires the main suppliers to undertake to act in compliance with the policies on ethics, propriety, loyalty, transparency and impartiality, while also ensuring their environmental and social commitment.

Suppliers are required to recognise the rights of their workers and to treat them with dignity and respect, committing: not to use or tolerate the use of child, forced, compulsory or undeclared labour; not to implement or tolerate any form of discrimination based on nationality, gender, racial or ethnic origin, religion, political convictions, age, sexual orientation, disability or state of health in policies on recruitment, remuneration, access to training, career paths, dismissal or retirement of personnel; to

guarantee personnel the right to form and join trade unions of their choice and to negotiate collectively with the Company, in accordance with the regulations, practices and cultures of the different countries. If these principles are violated and/or are not met, suppliers shall be excluded and/or suspended.

To support the spread of sustainable business models and reduce the impact that the Bank has on the environment through its supply chain, preference is given to suppliers with social responsibility policies and who offer products or services with better environmental performance.

The Banking Group ensures to its employees a work environment free from any kind of harassment, bullying, sexual harassment or retaliation and rejects any form of human rights breach, including any form of irregular work or exploitation, as well as any form of forced or compulsory labour, including child labour, in addition to any other practice that is not in accordance with the principles contained in the Global Compact and ILO standards.

The Banking Group thoroughly observes trade union rights and freedoms, recognising freedom of association and collective bargaining. The fundamental rights of workers are also set forth in the European Social Charter⁷, as well as in the Bank's Internal Code of Conduct and Charter of Sustainability Commitments.

Finally, the Bank has always considered the physical safety of its collaborators to be a priority, constantly guaranteeing the best working conditions in a safe, healthy environment, in accordance with applicable laws on the protection of occupational health and safety. The Bank also protects the well-being of its employees in terms of work-life balance; it therefore adopts a hybrid work mode, aimed at promoting the balance between professional and personal commitments (so-called "smart working") and at providing for forms of flexible working hours and additional leave with respect to the legal provisions and the national collective labour agreement.

3.4.1.4 DIVERSITY, EQUITY & INCLUSION

The Banking Group considers the Diversity, Equity & Inclusion values an integral part of its corporate culture and key drivers of the Bank's business. In this regard, the Bank implements inclusion initiatives aimed at creating a stimulating and innovative environment, open to debate and the exchange of expertise, focusing on training, culture and the ecosystem and engaging in particular young people and the female population.

The Group endeavours to create an environment that recognizes the value of each employee's individual attributes and unique perspectives, acknowledging their significant contributions to its progress and advancement. Furthermore, it strives to eliminate systemic biases and ensure that all employees have fair and equal access to opportunities for learning, development and advancement considering meritocracy as one of the key components in decision-making processes. This commitment is further reinforced by the Bank's journey towards obtaining Gender Equality Certification, which demonstrates its dedication to promoting a fair and inclusive work environment.

With a view to promoting a culture inspired by equal treatment, each HR process (recruiting, hiring, training, evaluation, professional growth and remuneration) shall be based exclusively on merit and performance and cannot be influenced by factors such as gender, gender identity, ethnicity, age,

⁷ Drawn up in collaboration with the European Works Council of Generali Group and also adopted by Banca Generali

religion/belief, sexual orientation, marital status, mental and physical abilities, culture, political opinions or any other category protected by law in the local jurisdictions.

The Banking Group strongly believes that Diversity, Equity, and Inclusion are strategic assets that work in harmony, serving as integral components for a corporate culture where every individual feels a profound sense of belonging. These principles are essential for attracting, developing, and retaining employees, enabling them to realize their full potential, and for fostering a stimulating work environment free of any form of discrimination or harassment. The Group strongly promotes a fair and transparent environment where everyone is asked and encouraged to speak up and report whenever detecting any concern or inappropriate behaviour.

This entails creating an inclusive culture and environment based on mutual respect and dignity of the human being where everyone feels safe, valued, respected, and empowered to contribute their unique insights. This inclusivity extends to recognizing the diverse needs of our employees, fostering inclusive behaviours and language, and promoting work-life balance, well-being, and a barrier-free environment.

3.4.2 THE ENVIRONMENT AND CLIMATE CHANGES

Banca Generali is aware that climate change is an environmental, social and economic threat at a global level, and is therefore committed to contributing to the reduction of greenhouse gas emissions generated directly by the Company's activities and indirectly by its value chain.

In this context, the principles and main actions adopted by the Banking Group are consistent with the environmental commitments deriving from the signing of the Global Compact, as well as aligned with the United Nations Sustainable Development Goals (SDGs). To this end, the Banking Group is committed to:

- fostering and supporting the efficient management of material resources (paper and waste) and of energy and water resources through the adoption of climate change mitigation and adaptation measures, ensuring compliance with current environmental legislation;
- promoting environmental responsibility and greater awareness of environmental issues both amongst its employees and Financial Advisors, clients, suppliers and the public in general, through programmes and initiatives aimed at raising awareness of the role and contribution that each of them can make to the process focused on continuous improvement and the creation of shared value;
- promoting and supporting transition through the integration of ESG criteria into internal investment policies, as well as into the provision of products and services.

In relation to direct environmental impacts, Banca Generali aims to reduce energy consumption and emissions linked to its premises, preferring the use of renewable energy and a more efficient management of waste and corporate mobility; to this end, it adopts an Environmental Management System (EMS) inspired by the principles of the ISO:14001 standard.

In particular, the Group is committed to sustainable management in its procurement processes so as to reduce, as far as possible, the indirect environmental impact linked to the provision of services, in addition to adopting supplier selection processes that include a sustainability performance assessment. The Bank regularly monitors the indirect GHG emissions of its suppliers (Scope 3).

Banca Generali is also committed to adopting a hybrid work mode, pursuing a reduction in consumption within its offices and raising awareness among its collaborators with specific educational and training programmes related to environmental matters.

In relation to indirect emissions associated with the value chain (so-called "Scope 3 emissions") and in particular in investment processes, in line with its strategic plan Banca Generali defines and periodically updates medium- and long-term environmental targets aimed at the progressive reduction of investments in companies exposed to coal and the achievement of net zero emissions by 2040, continuously monitoring the results achieved. At the same time, the Banking Group is committed to mitigating the principal adverse impacts (PAIs) of investment decisions on sustainability factors, paying particular attention to environmental effects such as GHG emissions. In order to strengthen its approach to investments, it also engages with investee companies with a view to reducing environmental impacts. Moreover, Banca Generali integrates environmental factors into its risk management approach, defining appetite and risk tolerance thresholds with respect to specific environmental targets, in line with the Banking Group's strategic objectives.

Banca Generali is committed to transparently disclosing the strategies and results achieved in the environmental field and in the fight against climate change through documents such as the Annual Integrated Report and Pillar 3 so as to strengthen its dialogue with key stakeholders, including investors and rating agencies.

3.4.3 RELATIONS WITH INSTITUTIONS AND SHAREHOLDERS

Banca Generali fosters and promotes dialogue with its institutional stakeholders and shareholders in general, in compliance with the highest ethical standards and in full transparency, in line with the provisions set forth in the Internal Code of Conduct, the Anti-Money Laundering, Counter-Terrorist Financing, and International Sanction Policy (AML/CTF/IS Policy) of Banca Generali Banking Group and the Policy for Managing Engagement with All Shareholders.

The goal of pursuing sustainable growth is achieved in compliance with integrity and transparency, which aim to create a solid reputation both inside and outside the Company. To this end, Banca Generali undertakes to ensure transparent disclosure to shareholders and the financial community in order to provide clear, comprehensive and timely information on the state of implementation of strategies and the results obtained, through all available channels and documents, such as the Annual Integrated Report, the Annual Report on Corporate Governance and Company Ownership, press releases and market presentations.

The Bank also carries out dialogue and engagement activities through trade and industry associations, to which it adheres in the countries in which it operates, which aim to represent and protect Banca Generali's interests with the ultimate goal of implementing its strategic plan and the related priorities.

3.4.4 RELATIONS WITH THE COMMUNITIES

Aware of the role it may play within civil society, Banca Generali pursues the objective of fostering an environment conducive to community progress and prosperity, thereby creating long-term value. The Bank is also committed to promoting and conveying the key values that inspire its business: a

commitment to sustainability, pursuit of innovation, wealth protection and the value of culture, education and sport.

To achieve this, the Bank implements initiatives, sponsorships and charitable activities — both directly and through partnerships — with the aim of enhancing its local presence and creating a tangible social impact.

Banca Generali is dedicated to fostering research and the academia world through collaborations with leading universities, with the aim of advancing the development of observatories. In the field of education, the Bank promotes financial and sustainability education throughout the school cycle.

Furthermore, in order to provide tangible responses to priority social and environmental issues and/or emergency situations, the Bank engages in charitable initiatives, such as fundraising and/or donations. The Bank assesses these initiatives on a case-by-case basis, in accordance with the ethical principles defined in its Internal Code of Conduct. In this context, Banca supports The Human Safety Net foundation, a charitable initiative sponsored by Generali Group, organising donations and volunteering activities. The objective of this foundation is to enhance the quality of life of vulnerable families and to promote the integration of refugees through employment and entrepreneurship.

This enables Banca Generali to make a positive contribution to the achievement of several goals of the UN 2030 Agenda, including SDG 17 – Partnerships for the Goals.

3.5 SUSTAINABLE BUSINESS

In relation to the financial products and instruments developed by the Bank and/or its Subsidiaries and already in place at the effective date of this Policy, as well as the services offered by them, the Bank and its Subsidiaries shall gradually comply with the principles and criteria set out in this paragraph of the Policy within six months of the date of adoption of the Policy. This will be in the best interest of clients and consistent with the specific requirements of any transactions underway.

3.5.1 INTEGRATION OF ESG FACTORS

The Banking Group integrates the consideration of sustainability factors into all of its core business activities, including proprietary portfolio management, the provision of individual portfolio management, investment advice and research, and collective asset management services, as well as the lending process.

In line with the commitments undertaken by signing the UN Principle for Responsible Investment (PRI) and the principles of the Global Compact, the Banking Group has developed an ESG factor analysis approach to identify and manage potential sustainability risks. This approach also uses an ESG score assigned to financial instruments with regard to proprietary portfolio management, the provision of individual portfolio management services, financial advice and investment research, as well as collective asset management.

The Banking Group also implements specific controls for the selection of counterparties and asset managers so as to integrate its analysis and due diligence processes and include, *inter alia*, specific elements for the analysis of ESG aspects.

Furthermore, the Banking Group incorporates ESG factor analysis into the lending process with the objective of identifying and managing any sustainability risks during the credit granting stage. The analysis of risks associated with ESG factors is conducted for all clients other than retail customers. In particular, the assessment of physical and environmental risks also extends to the evaluation of real estate collateral.

In performing ESG factor analyses, Banca Generali and its Subsidiaries — each according to the needs and specific characteristics of its business — may avail themselves of data and/or data processing provided by information providers or specialised research companies.

The ESG factor analysis is based on a combination of negative and positive screening. Negative screening involves the use of exclusion criteria to identify companies involved in controversial activities or in serious controversies. The latter are instrumental to evaluating products and services that promote environmental or social characteristics (pursuant to Article 8 of Regulation No. 2019/2088) or have sustainable investment objectives (pursuant to Article 9 of Regulation No. 2019/2088).

In addition, the Banking Group is also committed to mitigating the principal adverse impacts (PAIs) of investment decisions on sustainability factors. In accordance with the regulations governing responsible investment, the Bank regularly assesses the evolution of the regulatory framework for determining and measuring PAIs. This includes conducting periodic monitoring and publishing the results of the analysis for the financial products it has launched and/or it manages for its clients.

In addition, the Banking Group employs an active ownership approach to investments, which provides a framework for engagement strategies and the exercise of voting rights. This approach contributes to mitigating ESG risks.

3.5.2 NEGATIVE SCREENING CRITERIA AND SCOPE OF APPLICATION

Integrating sustainability risks in investment decisions is instrumental to identifying and managing environmental, social and governance factors that, if they were to occur, could have a significant adverse impact on the value of the investment (e.g., reputational risk). This impact varies according to the level of attention to elements such as waste and pollution management, climate changes (including heat waves, sea level rise and global warming), respect for human rights, workers' conditions and the related conditions of occupational health and safety, and practices for the prevention of corruption.

In order to mitigate sustainability risk, the Bank excludes from its investable universe (so-called Restricted List) the companies that:

- a. violate the Treaty on the Non-Proliferation of Nuclear Weapons;

- b. are directly involved in the cluster munitions, anti-personnel mine and/or biological/chemical weapons market, including for the purposes of local legislation, such as Italian Law No. 220 of 9 December 2021⁸;
- c. are involved in one or more controversies pursuant to the Global Compact, such as serious or systematic violations of human rights, serious or systematic violations of labour rights, serious environmental damages, serious episodes of corruption, or companies that have violated the OECD Guidelines;
- d. are significantly involved in coal trading or other so-called controversial activities, including conventional weapons, unconventional oil and gas extraction, with specific reference to tar sands, tobacco, gambling, and adult entertainment. With the exception of adult entertainment, for which no tolerance threshold is envisaged, for the remaining "controversial" activities a tolerance threshold is set as a residual percentage of consolidated turnover exposure.

It should be noted that:

- i. with regard to lending, counterparties as per points a and b above fall within the Restricted List; an enhanced due diligence procedure is provided for counterparties included in points c and d above.
- ii. with regard to legal entity clients, the Bank also takes the client's sustainability score into account among the factors available to the decision-making body responsible for assessing the lending process;
- iii. with regard to UCITS included in financial services, the Bank examines the products with a view to highlighting the asset managers' consideration of adverse impacts on sustainability factors.

Following the consolidation of market practices and the activation of comprehensive information flows by asset managers, the Banking Group will be able to conduct further analyses and assessments on products that consider PAIs.

Furthermore, in order to strengthen its sustainability risk management, the Bank may assess from time to time the inclusion in the Restricted List of additional sectors with a potentially high impact on sustainability factors and to submit, in justified circumstances and in limited cases, requests for exceptions for companies on the Restricted List to the Chief Executive Officer of the Parent Company, after having consulted the Sustainability and Innovation Committee.

Moreover, the Banking Group believes that a sustainable country is a country that, among other aspects, provides adequate essential services and contributes to ensuring international peace and security. Accordingly, it excludes governmental issuers that are subject to UN sanctions in accordance with the Charter of the United Nations. With regard to international financial sanction programmes, the Banking Group verifies that its clients do not include natural or legal persons to whom such programmes apply and does not grant loans and/or other forms of guarantees to them.

These restrictions apply to activities of proprietary portfolio management, provision of individual portfolio management, collective asset management and investment advice and research services, as well as the lending process, as described in detail in the relevant internal regulations⁹.

⁸ The list of companies involved in one or more of the activities identified by the regulations is maintained by Banca Generali's Compliance Service and is regularly forwarded to all Banking Group Companies.

⁹ Reference is made to specific regulations on Responsible Investment of Banca Generali and its Subsidiaries and the Credit Regulation.

3.5.3 POSITIVE SCREENING CRITERIA AND SCOPE OF APPLICATION

The approach to investment decisions is applied according to the characteristics of each financial product/service offered.

When a financial product/service promotes environmental or social characteristics (pursuant to Article 8 of Regulation No. 2019/2088) or has sustainable investment objectives (pursuant to Article 9 of Regulation No. 2019/2088), in addition to the negative screening, a sustainability score is applied to identify the so-called “best-in-class” products/services. A score on a five-class scale — from 1 (low sustainability) to 5 (very high sustainability) — is assigned based on information provided by an external advisor/information provider. The score is then used to compare the environmental, social and governance performance of issuers and, at an aggregate level, of funds. The objective is to identify the so-called “best in class” within each asset class and/or sector. In the case of mutual funds and Sicavs, the score takes into account — in addition to the analysis of the ESG performances of the underlying investments — the institutional commitment and strategy pursued by the manager in considering the sustainability of investment decisions.

The positive screening described above applies to both the individual portfolio management service and the collective asset management service.

Furthermore, as part of its investment advisory service, Banca Generali uses the ESG score in addition to the information on the product’s sustainability characteristics provided by the management company in accordance with the categories set out by law [e.g., product classification pursuant to Regulation (EU) No. 2088/2019 (SFDR), the percentage of sustainable and/or eco-sustainable investments, and the PAIs considered]. The ESG score enables to provide greater client protection against the greenwashing risk and to orient recommendations towards products with a higher score, without prejudice to the consideration of clients’ sustainability preferences.

3.5.4 ACTIVE OWNERSHIP APPROACH AND SCOPE OF APPLICATION

The Banking Group has undertaken to engage with their stakeholders to effectively manage the sustainability topics of the companies it invests in as part of portfolio management and collective asset management services, carrying out engagement and voting activities (Active Ownership).

The Active Ownership approach applies to Direct Assets and Indirect Assets included among the assets managed within the framework of the provision of collective asset management and portfolio management services for products pursuant to Articles 8-9 of Regulation 2088/2019¹⁰.

Engagement activities call for:

- “standard engagement”, aimed at raising the awareness of the issuer and/or manager on a specific topic or gathering further information through normal interactions during the investment process, the financial/non-financial analysis process or the voting process;
- “impact engagement”, aimed at influencing the conduct of the issuer and/or the manager through direct interactions with executives or Board members of the issuer or manager on specific material topics, such as, for instance, the strategy, risks, social and environmental impact and corporate governance.

¹⁰ Reference is made to the Banking Group’s Active Ownership Policy.

The Banking Group exercises voting rights in shareholders' meetings with regard to the shares of issuers included in directly managed UCITS and, where delegated by the customer, also with regard to portfolio management.

With regard to Direct Assets:

- a. for issuers of equities included in portfolio management and within UCITS managed by Subsidiaries, the Banking Group carries out both engagement activity and the exercise of voting rights;
- b. for issuers of bonds, the Banking Group carries out engagement activity only.

With regard to Indirect Assets, for investments in UCITS and ETFs, only institutional engagement with the respective managers is to be implemented.