GUIDELINES FOR RESPONSIBLE INVESTING

(“RI Guidelines” or “RI Investment Policy”)

January 2024

Unipol GRUPPO

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1. Definitions and terminology

Term	Explanation
Paris Agreement	Agreement adopted at the Paris climate conference (COP21) on 12 December 2015; it establishes a global framework to avoid dangerous climate changes, limiting global warming to well below 2ºC and continuing with efforts to limit it to 1.5ºC. This came into force on 11 November 2016, following ratification by 55 countries, responsible for at least 55% of global emissions.
Negative effect on sustainability	Negative impact on the ESG Factors of the investment decisions.
Issuers of financial instruments (the "Issuers")	Parties who issue financial instruments to be put into circulation and therefore traded on the market in order to fund their activities. They can be divided into enterprises organised in the form of companies (corporate issuers) and States (government issuers).
Product-based and *conduct-based* exclusions	A *Product-based* exclusion is of a sector or economic activity type, while a *conduct-based* exclusion is based on the conduct of the issuer assessed according to the three ESG elements.
ESG Factors	Environmental, social and governance issues considered to be relevant for the Group, the applicable stakeholders and for society as a whole.[1]
United Nations Global Compact (UNGC)	UN initiative which aims to promote the culture of corporate social responsibility through the sharing, implementation and dissemination of common principles and values.
Responsible investment	Investment that aims at creating value for the investor and for the company as a whole by means of a medium/long-term investment strategy which, in the assessment of companies and institutions, combines financial analysis with environmental, social and good governance analysis.
Sustainable investing	Investment in an economic activity that contributes to an environmental objective, or investment in an economic activity that contributes to a social objective, provided that such investments do not cause significant harm to any of those objectives and that the companies which benefit from said investments comply with good governance practices as defined in Article 2, no. 17 of Regulation (EU) 2019/2088.

[1] Matters with social, environmental and governance impact are considered to be "the environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters" pursuant to the definition of article 2, no. 24 of Regulation (EU) 2019/2088.

OECD Guidelines for Multinational Enterprises	Body of recommendations aimed at the government signatories of the "*Declaration* on international investment and multinational enterprises" of the Organisation for Economic Cooperation and Development (OECD) of 27 June 2000 to multinational enterprises (updated on 8 June 2023). The document contains non-binding principles and standards for responsible business conduct in a global context that is consistent with applicable laws and the internationally recognised standards.
Net-Zero Asset Owner Alliance (NZAOA) of the United Nations	Alliance of international institutional investors, committed to bringing their investment portfolios to net zero greenhouse gas emissions by 2050, which Unipol joined in May 2022.
SDGs of the United Nations – *Sustainable Development Goals*	Objectives defined within the scope of the "2030 Agenda for Sustainable Development", a plan of action for people, the planet and prosperity, signed in September 2015 by the governments of 193 UN Member States. It contains 17 goals, in turn structured into 169 specific targets.
Sustainability preferences	The choice, by a customer or potential customer, to integrate or not, and if so to what extent, one or more of the following financial products in his/her investment: a. an insurance investment product for which the customer or potential customer establishes that a minimum amount must be invested in environmentally sustainable investments; b. an insurance investment product for which the customer or potential customer establishes that a minimum amount must be invested in sustainable investments; c. an insurance investment Product that considers the Main negative effects on Sustainability Factors where qualitative or quantitative elements proving such consideration are established by the customer or potential customer.
Principles for Responsible Investment (UN PRI)	An initiative promoted by the world of finance in association with the United Nations Environment Programme - Finance Initiative (UNEP FI) and UNGC, which has defined 6 principles for responsible investment and works with an international network of signatories to put them into practice.
Portfolios	Set of financial assets held by the Company for specific purposes.
Sustainability Risk	An environmental, social or governance type of event or condition that, if it materialises, could cause a significant negative actual or potential impact on the value of the investment (Art. 2, no. 22 of Regulation (EU) 2019/2088) or on the value of the liability.
Sustainable success	The objective that steers the courses of action of the administrative body and essentially amounts to the creation of long-term value for shareholders, taking into account the interests of the other stakeholders of relevance to the company.
Investable Universe	Set of issuers eligible/selectable for investment.

2. Introduction

2.1. Document Objectives

This document defines the guidelines for responsible investment (the "RI Guidelines" or "*RI Investment Policy*"), with a view to identifying and managing specific risks and impacts that take on significance with reference to environmental, social or governance factors ("ESG factors") and to financially support sustainable growth, as outlined by the European Commission in the *Action Plan on* "*Financing Sustainable Growth*" published in March 2018.

The RI Guidelines address investment activities with reference to their scope of application, detailed below, promoting:

- the incorporation of ESG Factors in the analysis of the investments, in the related decision-making process, in the issuer selection criteria and in the management of the investments themselves;
- the progressive expansion of the monitoring of financial assets in terms of ESG performance as well as the extension of its proposal of financial products with sustainability characterisation[2], also taking into account the possibility that the product may satisfy the sustainability preferences of the customers of the Group Companies;
- the thematic and impact investments through which the Unipol Group (the "Group") can perform an active role in helping to reduce environmental or social problems such as the challenges posed by climate change, the depletion of resources, and economic and social inequality.

The Group undertakes to act by taking into account international sustainability initiatives, starting with those promoted by the United Nations, including the Sustainable Development Goals, the *Global Compact*, the *Principles for Responsible Investment*, the *Net-Zero Asset Owner Alliance*, as well as the *Responsible Business Conduct*[3] requests outlined by the OECD Guidelines for multinational companies and the related considerations on the application of due diligence for institutional investors.

2.2. Approval and revision of the document

These RI Guidelines, drafted/revised with the involvement of the company structures concerned in order to ensure a clear definition and sharing of objectives, roles and responsibilities, were approved by the Board of Directors of the Parent Company, Unipol Gruppo S.p.A. ("Unipol" or the "Parent Company"), in exercising its management and coordination activities with respect to the Subsidiaries and in line with the Group's business process regarding the preparation and validation of corporate policies.

Subsequently, the Boards of Directors of the Companies in the scope of application of the RI Guidelines, as part of their responsibilities on governance, the internal control system and risk management, evaluate and approve the RI Guidelines, insofar as they are applicable, in compliance with specific sector regulations and their business models.

The RI Guidelines will be revised and - if necessary - amended whenever required by regulatory updates, by measures introduced by the Supervisory Authorities, business strategies or changes in context (significant changes to company processes, significant structural reorganisations, major changes in the business sectors in which the Group operates or changes in the Materiality Assessment).

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[2] These refer to financial products that promote, inter alia, environmental or social characteristics or a combination of those characteristics on condition that the companies in which the investments are made comply with good governance practices (article 8 of Regulation (EU) 2019/2088) and financial products that aim at sustainable investments (article 9 of Regulation (EU) 2019/2088).

[3] Document drawn up by the OECD in 2017 to support institutional investors in implementing the recommendations of the OECD Guidelines aimed at multinational companies, in order to prevent or deal with the Negative Effects that have repercussions on sustainability.

The RI Guidelines are disclosed and made available by the Group's Companies to all personnel concerned through adequate communication channels and published on the respective websites.

3. Reference regulatory context

These RI Guidelines were drafted in compliance with prevailing laws and the sector supervisory policies laid out below:

- Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 (Regulation on “Disclosure” - SFDR);
- Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (“Taxonomy” Regulation);
- Commission Delegated Regulations (EU) 2021/1256 and 2021/1257 of 21 April 2021;
- Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council (Delegated Regulation on "Disclosure" - RTS SFDR);
- Communication by the Commission addressed to the European Parliament, to the European Council, to the Council, to the European Central Bank, to the European Economic and Social Committee and to the Committee of the Regions of 8 March 2018 ("Plan of action to fund sustainable growth").
- Italian Law no. 220 of 9 December 2021, concerning “Measures to counteract the financing of companies producing anti-personnel mines, ammunition and cluster submunitions”;
- IVASS Regulation no. 24 of 6 June 2016 as amended and supplemented by IVASS Measure 131 of 10 May 2023;
- IVASS Regulation no. 41 of 2 August 2018;
- Italian Legislative Decree no. 252 of 5 December 2005 containing the Regulation on supplementary pension schemes;
- COVIP Circular of 21 December 2022, with the following subject “Obligations envisaged by Regulation (EU) 2019/2088 and Delegated Regulation (EU) 2022/1288 on sustainability reporting in the financial services sector”.

These RI Guidelines are also consistent with and supplement the system of self-regulation in force within the Unipol Group

4. Scope of application

The RI Guidelines are adopted by the following Companies:

- Unipol;
- Group insurance companies based in the European Economic Area (hereinafter also the “Companies” and, individually, the “Company”)[4], including UnipolSai Assicurazioni S.p.A. (“UnipolSai”);
- UnipolSai Investimenti SGR S.p.A.[5]

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[4] With the exception of the Companies which the Company Bim Vita S.p.A. uses, in compliance with the shareholders' agreements, as external managers to manage its financial assets.

[5] The latter limited to free capital, thus excluding the assets of the undertakings for collective investments (UCIs) it manages.

With reference to the Portfolios of assets managed by the Group Companies in scope, the RI Guidelines apply to:

– Portfolios of investments in financial and real estate assets[6] to cover technical provisions (Non-Life technical provisions and Class C technical provisions) and free capital (hereinafter "Non-Life, Free Capital and Life Class C Portfolios");

– Portfolios of investments in financial assets hedging Class D provisions (hereinafter "Class D Portfolios"), consisting of:

  - *Unit-Linked (or Internal Funds linked to Multi-segment products), Index-Linked* and Open Pension Funds, where the products have sustainability characteristics also considered for satisfying any preferences expressed by Customers. For products that do not fall under the cases described above, the RI Guidelines are applicable only if they are expressly referred to in the product documentation (pre-contractual, contractual, Investment Policy Document);
  - Occupational Pension Funds, if envisaged by the respective Management Agreements; in all other cases, the provisions of the relevant Agreements apply.

In relation to the types of investments, the RI Guidelines apply to:

– shares[7];

– corporate bonds;

– government bonds;

– alternative investments and other investments (hereinafter "Alternative Investments")[8];

– real estate;

– other equity assets[9].

At present, the types of investment attributable to UCITS do not fall within the scope of application[10].

5. Principles of responsible investment and integration of ESG factors

Unipol, consistent with the prudent person principle referenced in the Group's Investment Policy, believes it is essential to integrate ESG factors in the investment decision-making process, with particular reference to (i) Sustainability Risks and (ii) the negative effects for sustainability, in order to create long-term value for the benefit of the Group and its *stakeholders*.

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[6] Limited to the properties directly held by the Companies in scope.

[7] Including shareholdings with reference to shares or units traded on a regulated market if (i) the overall shareholding of the Group exceeds 20% of the share capital, (ii) Group companies have underwritten shareholder agreements or (iii) said shares create a long-term relationship with the issuing company.

[8] Only for *Private Equity* and *Real Asset* Funds in relation to the portion of impact investing.

[9] These are other types of investments, other than those already listed, such as the tax credits associated with the "Cura Italia" (Heal Italy) and "Rilancio" (Relaunch) Decrees.

[10] With the exception of UCITS present in Class D portfolios linked to products with sustainability characteristics (as defined in note 3). For these portfolios, the methods with which sustainability aspects are taken into account for investments in UCITS are defined in the product documentation (pre-contractual, contractual, Investment Policy Document) and/or in the Pension Fund management agreements and in those regarding management mandates.
The Group is considering gradually extending the scope of application to other UCITS as a result of regulatory developments and the growing importance of sustainability issues in investment processes.

The integration of ESG factors in the investment process can generate better opportunities in terms of risk-return in the medium-long term, by expanding the factors that determine the Investable Universe usually defined through traditional financial analyses.

Sustainability factors are monitoring using data, information and summary assessments provided by one or more specialised providers (taking into account, among other things, international sustainability conventions) that collect them from the Issuers and/or through public sources and verify them. In the case of particular issuers, the assessments are also supplemented by internal quantitative and/or qualitative analyses carried out by the Finance Department with the support of the Sustainability Function and the Risk Area.

5.1. Identification and prioritisation of relevant sustainability factors

The identification of the relevant Sustainability Factors for the purposes of investment decisions is included in the broader system of monitoring of the Group's Sustainability Factors, which uses different tools[11] to identify and assess, on the one hand, the Sustainability Risks, and on the other, the current and potential Negative Effects related to the environmental, social and governance dimensions.

6. The ESG approach to investments in relation to Portfolios

Portfolios		ESG Strategy		Type of investments				
				Shares	Corporate Bonds	Government Bonds	Alternative Investments	Real Estate
Non Life + Free Capital & Life Class C	Direct	Climate Strategy	Screening ESG	✓	✓	✓		Specific Framework
			Exclusions	✓	✓	✓		
			Engagement	✓	✓			
	Indirect		Thematic and impact investing				✓	
Class D			Specific Framework					

With regard to the Non-Life, Free Capital and Life Class C Portfolios, ESG Factors are integrated in the investment process through the adoption of varying approaches depending on the type of investment (as specified below):

– in the case of direct investments: (i) ESG screening of issuers in each environmental, social and governance area, (ii) conduct-based and product-based selective exclusions, (iii) bilateral and/or collective engagement activities;

– in the case of indirect investments, limited to Alternative Investments, a strategy based on thematic and impact investing is applied;

– in the case of investments in Real Estate, considering the unique characteristics of this type, the approach of integrating ESG factors is defined through separate specifications.

As regards the Class D Portfolios, a specific framework is applied based on the relative risk/return characteristics that represent the profile expressed by the Customers, on the sustainability characteristics - where present - considered by the product also for the satisfaction of the sustainability preferences that may be declared by said customers as well as on the specific characteristics of the management agreements relating to the Pension Funds.

Lastly, for the purposes of monitoring ESG Factors, the Group is heavily committed to combatting climate change through the climate strategy, which is applied across the perimeter portfolios; this commitment is defined in detail in the document "The Unipol Group strategy on climate change".

[11] These include, for example, the *Reputational & Emerging Risk Observatory,* the Risk Management Policy, the structured *Stakeholder* engagement processes and the Group's participation in the main global sustainability initiatives.

6.1. Non-Life, Free Capital and Class C Life Portfolios

6.1.1 Direct Investments

ESG factors are incorporated in the decision-making processes relating to direct financial investments by adopting the investment strategies that follow:

ESG screening of Issuers

To assess the Corporate Issuers, the sustainability factors are screened in each of the three ESG areas, considering a number of elements, including, for example:

- as regards the environmental aspect, the presence of environmental management policies and systems, the climate strategy;
- as regards the social element, observance of human and workers' rights, the ability to attract and develop talents, and the role within the local community;
- for the governance dimension, the corporate governance system, business conduct and risk management.

The performance (score) and the assessment of each Corporate Issuer is therefore defined by the comprehensive analysis of these elements, broken down into the various detailed dimensions.

To assess Government Issuers, sustainability factors are screened in each of the three ESG areas, considering a number of elements, including, for example:

- as regards the environmental dimension, the regulation of environmental aspects, the intensity of greenhouse gas emissions and decarbonisation prospects;
- for the social dimension, respect for civil and political rights, freedom of expression and individual integrity;
- for the governance dimension, the presence and proper functioning of the institutions and the effectiveness of regulations on bribery and corruption.

The performance (score) and the assessment of Government Issuers is therefore defined by the comprehensive analysis of these elements, broken down into the various detailed dimensions.

Exclusions of Issuers

The types of exclusions envisaged for Corporate Issuers, as described below, are based on the analysis of the Issuers' ESG performances.

➢ Conduct-based exclusions

Direct investments in Corporate Issuers that, in carrying out their core business, do not reach a specific minimum ESG performance threshold in each of the three environmental, social and governance areas, appropriately weighted according to the relevance of the dimension, are excluded. Direct investments in *Corporate Issuers* that do not adopt sufficient safeguards in terms of human and workers' rights, use of natural resources and anti-bribery and, therefore, do not reach a minimum performance threshold in these areas, are also excluded.

➢ Product-based exclusions

Exclusions apply to direct investments in *Corporate* Issuers involved in:

- the production of controversial weapons such as cluster ammunition and submunitions, anti-personnel mines, chemical weapons and biological weapons;
- the following business areas, considering the percentage of revenues deriving from them:
  - gambling (if the turnover from this business accounts for 20% or more of the total);

- coal mining (if the turnover from this business accounts for 30% or more of the total);
- generation of electricity from thermal coal (if the turnover from this business accounts for 30% or more of the total);
- activities related to oil sands, shale gas and *Arctic drilling* (if the turnover from these businesses accounts for 30% or more of the total).

In line with the provisions of the climate strategy, in order to assess the eligibility of Issuers involved in activities related to the extraction/use of fossil fuels referred to above - in cases where the threshold of revenues deriving from these activities is equal to or exceeds 30% - the positioning in terms of the transition of the business towards a low-carbon economy through specific forward-looking indicators, including compliance with the *Paris Alignment*, is also considered.

In order to achieve climate neutrality in its portfolio, the Group has planned for a periodic reduction of the admissible earning ceiling dependent on thermal coal by the investee Corporate Issuers and expects to complete disinvestment in coal by 2030. This time frame may be amended in the programming based on the speed of response of the financial markets.

In the case of Government Issuers, the Group believes that it is unsustainable to make direct investments in government bonds issued by countries that do not reach a specific minimum ESG performance threshold or where there are serious violations of human rights or predatory policies with respect to environmental resources with global impact.

Both *Corporate* and Government Issuers subject to the above-mentioned exclusions are not included in the Investable Universe but are on a *Restricted List* of non-investable issuers, shared between the Finance Department, the Risk Area and the Sustainability Function, updated at least every six months by the Finance Department and reviewed by UnipolSai's Financial Investments Committee[12].

For the assessment of specific critical cases regarding the selection of Issuers deemed relevant owing to the potential financial or reputational impacts, the Finance Department will initiate an in-depth analysis process in collaboration with the Sustainability Function and the Risk Area.

In relation to the issuers on the Restricted List, the following actions are taken:

– the Group undertakes not to invest in these Issuers;
– if these Issuers are already present in the portfolios, the Group may carry out engagement activities and/or assess whether to gradually reduce the related exposures in securities according to the timing and methods deemed appropriate in the interest of its stakeholders.

An assessment of the approach to be adopted is discussed by UnipolSai's Financial Investments Committee, which expresses an opinion on the matter.

The Finance Department, the Sustainability Function and the Risk Area will initiate a monitoring and in-depth analysis process, lasting a maximum of two years, in case an issuer within the Investable Universe exhibits critical elements in relation to the sustainability performance relevant in terms of their potential financial or reputational impacts. During this period, the Issuer will continue to remain investable and, both through internal analyses and engagement activities specified further below, checks will be conducted as to whether the reasons for the critical issues remain or have been eliminated.

At the end of the monitoring process, the Financial Investments Committee[12] examines the results. The test may determine:

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[12] The Financial Investments Committee will also involve UnipolSai's *Sustainability* Function in said review.

- the continuation of the monitoring process, if the critical issues are not fully resolved but the Issuer has taken actions with a view to resolving them;
- the successful conclusion of the process, if the critical issues are fully resolved;
- the negative conclusion of the process, if the reasons for the critical issues persist and steps have not been taken to resolve them, with the subsequent inclusion of the Issuer on the *Restricted List*.

Engagement activities

The Group, committed to promoting and adopting a responsible approach in its investment activities and financially supporting sustainable development, considers dialogue with the issuers in which it invests to be of fundamental importance, in order to improve their ESG strategies and performance and to guide and support the economic and financial system towards a just transition in line with a net zero greenhouse gas emissions target by 2050[13].

In this sense, the Group Companies within the scope of application can carry out the following engagement activities:

- collective engagement, to be carried out in collaboration with other investors vis-à-vis one or more corporate issuers, as collective action by institutions with matching interests allows more efficient and effective dialogue in terms of achieving results;
- bilateral engagement, to be carried out through direct dialogue with corporate issuers, potentially also at events dedicated to in-depth analysis of the strategy of investee companies, if deemed appropriate.

Both methods are used for engagement focused on climate impacts, aimed at companies that are principally responsible for the greenhouse gas emissions of the Group's investment portfolio, in order to encourage them to undertake a robust and ambitious process of decarbonisation.

The Group is aware that achieving the positive changes required from issuers may require a medium to long-term period and therefore sees engagement as a continuous, impactful but also mutually beneficial process, an improvement process which the Group could not contribute to if it was to immediately withdraw from its portfolios the investments linked to issuers involved in engagement. However, if the engagement activity should prove ineffective, UnipolSai's Financial Investments Committee will assess whether to include the issuer in the Restricted List, subsequently managing the issuer by taking the actions indicated above for issuers on said list.

6.1.2 Indirect Investments

The integration of ESG Factors in the decision-making processes relating to indirect financial investments exclusively involves Alternative Investments, such as *Private Equity* and *Real Asset* Funds, and is achieved by adopting investment strategies called Thematic Investing and Impact Investing, specified below.

Thematic and Impact Investing

To support the achievement of the United Nations Sustainable Development Goals (SDGs), a portion of the Group's portfolio is dedicated to developing thematic investments, i.e. investments whose objective is to identify macro-trends that can achieve long-term increases in value, regardless of economic events. The Unipol Group believes that thematic investments is an opportunity to enable it to direct financial resources towards social or environmental targets with the advantage of being able to measure the results achieved.

Thematic investing is characterised by:

- intentionality - the impact is not a collateral effect but becomes part of the investment goal;

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[13] In order to achieve the 2050 target, the Group has set an intermediate target for reducing emissions by 2030. The engagement activities carried out to support the achievement of this intermediate target are outlined in the "Unipol Group Strategy on Climate Change".

- measurability - understanding what impact has been achieved, to be measured like the other investment goals (for example risks, return or capital income);
- income - generation of monetary returns. The investments selected have to have an income profile that is appropriate compared to the underlying market risks.

The financial developments in recent years have also shown how certain asset classes, such as, for example Infrastructure Funds, Private Equity and Renewable Energy, are especially suited to impact investments, i.e. investments that have a positive environmental and/or social impact, along with a financial return.

Some of the impact goals pursued with the above-mentioned types of investment are:

- providing essential services to the community (for example electricity and gas, *water treatment*, care services, transport, communications);
- supporting the development and spread of technology that respects the environment;
- implementing technologies to protect the environment and reduce climate change (for example production of energy from renewable sources, wind and solar power).

The Unipol Group's approach to identifying thematic investments and impact investments is constantly reviewed and developed in order to:

- guarantee alignment with the formulation implemented in this area at European level, as envisaged in the "Action Plan on financing sustainable growth";
- fully pursue the commitments undertaken in relation to income from issuing products such as "Green Bonds", considered by the Group to be fundamental and strategic instruments to support sustainability goals and finance the transition towards an economy that respects environmental assets[14].

6.1.3 Real Estate Investments

ESG factors will be incorporated into the decision-making processes related to real estate investments through the definition of undertakings and the related oversight of the various investment stages described below.

Purchase of properties

At the selection stage of the real estate investments, the Companies in scope undertake to incorporate an assessment of the ESG aspects connected to the properties in question into the technical and economic-financial assessments, in order to acquire the information elements that enable the planning of possible improvements to their performance while the assets are held.

Development activities

The Companies in scope undertake to favour development investments aimed at improving the ecological quality of urban centres, to increase the well-being of citizens, social inclusion and employment and places value on innovation, savings and the efficient use of resources.

Likewise, the Companies in scope undertake to contribute towards ensuring more sustainable, safe and inclusive towns; to this end, fully aware of the impact and the transformative potential of the property development activities on territories, they consider the understanding of the current and future characteristics and requirements of the communities in which they operate to be important in deciding what actions to take.

[14] Bonds where the issue is linked to projects that have a positive impact on the environment such as energy efficiency, the production of energy from clean sources, sustainable land use, etc. As regards the green investments that can be financed with income from the issue of "Green Bonds" by the Group companies, the RI Guidelines are integrated with forecasts of the Green Bond Framework of Unipol Group S.p.A. – UnipolSai Assicurazioni S.p.A..

The most significant new construction operations will comply with high environmental standards, and include certifications approved at international level.

In implementing their real estate development activities, the Companies in scope undertake to monitor respect of the rights of workers involved in the entire supply chain, requiring suppliers to buy into the commitment by having them underwrite the Supplier Conduct Code for Responsible Procurement of the Unipol Group and starting up third-party random verifications to check its observance.

Management activities

The Companies in scope have set themselves the goal of decarbonising their real estate investment portfolios.

To this end, the aforesaid Companies manage their real estate assets, including both properties used for their core business activities and those used by "third parties", by planning and taking actions that result in the continued improvement of performance until high environmental quality standards are achieved. The specific instruments supporting said process include, in particular, the adoption of rigorous and certified management systems, the implementation of energy efficiency initiatives, investments to reduce the consumption of resources and the acquisition of energy from renewable sources.

6.2. Class D Portfolios

The incorporation of ESG factors into the decision-making processes relating to Class D financial investments depends on several factors:

- *Unit-Linked* portfolios are also invested in UCITS, which may be open to third-party investors and have their own investment policy;
- the portfolios of the Occupational Pension Funds are managed according to specific management agreements;
- the selection of the underlying investment may take into account, among other things, the sustainability characteristics – where present – considered by the product also for the satisfaction of any sustainability preferences stated by the Customers.

For these reasons, the RI Guidelines do not fully apply to all Class D Portfolios. In particular:

- with reference to direct investments, for portfolios with sustainability characteristics, also considered for the satisfaction of any preferences expressed by Customers which the product aims to satisfy, the RI Guidelines are adopted, with the general methods indicated in paragraph 6.1.1. integrated or adapted, where necessary, based on specific management mandates that make provision for sustainability policies. The RI Guidelines also apply if they are expressly referred to in the product documentation (pre-contractual, contractual, Investment Policy Document) and are eventually adopted in the management of the portfolios of the Occupational Pension Funds, if and as provided in the respective Management Agreements;
- with reference to indirect investments, only for products with sustainability characteristics, the sustainability aspects are taken into consideration for investments in UCITS in the manner stated in the product documentation (pre-contractual, contractual, Investment Policy Document) and/or in the Pension Fund management agreements and management mandates.

Given the ongoing evolution of regulations and market practices, the Group monitors and, if necessary, updates the ESG criteria for the selection of the investments underlying the products, in order to provide the Customer with protection from sustainability risks, and to minimise the exposure to reputational risks for the Group.

7. Roles and responsibilities of the players involved in the process

In order to effectively monitor the risks and impacts that could be significant regarding the investment activities with reference to responsible investments, the governance process has to be clearly and consistently established for the Parent Company and the other Companies in scope. The duties and responsibilities in this area that relate to the company bodies and departments of the Parent Company and the other Companies in scope are defined below.

7.1. Board of Directors

The Board of Directors of the Parent Company, also in exercising its management and coordination of the other Companies in scope, approves – after hearing the opinion of the Control and Risk Committee and a review by the Appointments, Governance and Sustainability Committee and the Group Risk Committee – these Guidelines, which contain the framework for the identification, assessment, monitoring and management of the sustainability risks and the Negative Effects for sustainability tied to investment decisions, and their subsequent amendments.

The Boards of Directors of the other Companies in scope, for the aspects that apply to them and in accordance with the specific sector regulations and the *business* model, and within the scope of their responsibilities, carry out the same activities carried out by the Board of Directors of the Parent Company.

7.2. Control and Risk Committee

The Control and Risk Committees of the Parent Company[15]and of UnipolSai provide support to their respective Boards of Directors in the identification and management of the main corporate risks and in checking to ensure that they are properly identified, adequately measured, managed, and monitored, as well as compatible with business management which is consistent with the strategic objectives identified.

More specifically, the Control and Risk Committees provide support to the board of directors in establishing the framework to identify, assess, monitor and manage the Sustainability Risks and Negative Effects on sustainability tied to investment decisions; they examine the proposals put forward in relation to these RI Guidelines, which contain said framework, and their subsequent amendments, providing their opinion on these matters to the Board of Directors; they also examine the reports on the evolution of the sustainability risks and Negative Effects for sustainability at least once a year.

7.3. Appointments, Governance and Sustainability Committee

The Appointments, Governance and Sustainability Committees respectively established within the Parent Company and UnipolSai perform proposal-making, advisory, screening and support functions for their administration bodies with regard, among other things, to ESG topics, coordinating – for the areas within their competence – the policies, processes, initiatives and activities designed to monitor and promote the efforts of the company and the Group in general in the pursuit of Sustainable Success.

The aforesaid Appointments, Governance and Sustainability Committees, each for matters within their respective competence, conduct a preventive examination of the content of these RI Guidelines, and the framework for the identification, assessment, monitoring and management of the Sustainability Risks and Negative Effects on sustainability tied to the investment decisions defined by them, and their subsequent substantial amendments, if they have not already been resolved by the respective administrative bodies.

7.4. UnipolSai Financial Investment Committee

UnipolSai's Financial Investments Committee implements the investment strategies defined in these RI Guidelines and monitors, at least once a year, the operating guidelines defined by UnipolSai's Finance

[15] Pursuant to IVASS Regulation no. 38 of 3 July 2018, the Control and Risk Committee of the Parent Company also operates on behalf of the Group companies regarding "reinforced" (excluding UnipolSai) and "ordinary" corporate governance.

Department in order to ensure that these Guidelines are effectively applied. In particular, the Financial Investments Committee expresses an opinion on the *Restricted List* of issuers who, in order to comply with the commitments undertaken with the RI Guidelines, are considered ineligible for investment, and its subsequent updates.

The Committee also:

- assesses the approach to be adopted towards the issuers included in the Restricted List present in the portfolio and expresses an opinion on the matter;
- examines the results of the monitoring process referred to in paragraph 6.1.1.

Lastly, the Committee examines the analyses carried out by UnipolSai's *Risk* Area with regard to potential sustainability risks and negative effects for sustainability, reporting any critical situations.

7.5. UnipolSai Real Estate Investment Committee

UnipolSai's Real Estate Investment Committee monitors, at least annually, the operational guidelines set by UnipolSai's Real Estate Department to ensure effective implementation of these RI Guidelines; it also examines the analyses conducted by the *Risk* Area regarding potential sustainability Risks and the Negative Effects for sustainability, reporting any critical situations. Within the scope of its proposals submitted to the decision-making bodies regarding significant purchases of real estate assets, it checks and confirms the technical evaluation of the ESG aspects connected to the properties involved.

7.6. Investment Area of the Parent Company

The Parent Company's Investment Area guarantees the application of these RI Guidelines in order to direct investment activities with reference to responsible investments in relation to financial and real estate activities.

7.7. UnipolSai Finance Department

The UnipolSai Finance Department is responsible for implementing the RI Guidelines in relation to financial activities and, with the contribution of the *Sustainability* Function and the Risk Area of UnipolSai, defines instruments and controls to ensure the effective application of said Guidelines and the general goals contained therein for the selection of issuers.

More specifically, when carrying out its activities, and with the support of the instruments that it is provided with, the Finance Department of UnipolSai carries out first level controls on the application of these RI Guidelines in relation to the financial assets that fall under the above-mentioned scope of application.

In addition, the Finance Department:

- as part of the monitoring of sustainability factors, with the support of the *Sustainability* Function and the *Risk Area,* in the case of particular issuers, integrates the assessments carried out on the data provided by one or more providers with internal quantitative and/or qualitative analyses;
- shares the *Restricted List* of non-investable Issuers with the *Sustainability* Function and the *Risk* Area and updates it at least every six months;
- launches an in-depth analysis process, together with the *Sustainability* Function and the *Risk Area,* in order to assess specific critical cases regarding the selection of Issuers considered relevant in terms of their potential financial or reputational impacts;
- if an Issuer present in the Investable Universe, on the basis of the evolution of the sustainability characteristics and/or the reference legislation, presents critical elements in relation to the sustainability performance considered relevant for the potential financial or reputational impacts, it initiates, in collaboration with the Sustainability Function and the Risk Area, a process of monitoring and in-depth analysis, lasting a maximum of two years, as described in paragraph 6.1.1.

7.8. UnipolSai Real Estate Department

The UnipolSai Real Estate Department is responsible for implementing the RI Guidelines in relation to real estate activities, and, with the contribution of the *Sustainability* Function and the Risk Area of UnipolSai, defines instruments and controls to ensure effective application of the RI Guidelines and the general goals contained therein with regard to the investments in *Real Estate*.

7.9. UnipolSai Sustainability Function

The UnipolSai Sustainability Function monitors regulatory and strategic developments on the subject of Sustainable Finance and, together with the UnipolSai Finance Department, prepares the draft amendments of the RI Guidelines, with the framework for the identification, assessment, monitoring and management of the Sustainability Risks and Negative Effects for sustainability tied to the investment decisions contained therein.

The *Sustainability* Function collaborates with the Finance Department and the Risk Area in carrying out the activities described in detail in paragraph 7.7 above.

The *Sustainability* Function, together with the Finance Department, identifies and carries out the engagement initiatives envisaged among the investment strategies adopted for direct financial investments. In order to carry out the activities described, the *Sustainability* Department involves and works with the relevant departments of the Companies in scope.

7.10. UnipolSai Risk Area

The UnipolSai *Risk* Area contributes to the identification and prioritisation of relevant ESG factors.

The Risk Area carries out the relevant second level controls regarding the application of these RI Guidelines, verifying respect for the general and specific objectives in relation to financial and real estate activities.

In addition, the Risk Area collaborates with the Finance Department and the *Sustainability* Function in carrying out the activities described in detail in paragraph 7.7 above.

7.11. Compliance and Anti-Money Laundering Function

UnipolSai's *Compliance and Anti-Money Laundering Function* assesses the compliance of the RI Guidelines with the supervisory regulations in force, carries out the relevant second level controls on the application of said Guidelines and prepares the related reporting.

8. Reporting

The *Sustainability* Function prepares reports for all companies in the scope on the results of the application of the RI Guidelines, which it presents to the Board of Directors and the Control and Risk Committee at least once a year.

The results of the application of the RI Guidelines are published in the Group's annual reporting documents (Annual Integrated Report of the Unipol Group and UnipolSai Sustainability Report).

Unipol Gruppo S.p.A.
Sede Legale
Via Stalingrado, 45
40128 Bologna

unipol.it