

Responsible Investment Policy of the Poste Vita Group

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TABLE OF CONTENTS

1. Introduction.....	3
1.1. Objectives	4
1.2. Glossary	4
1.3. Scope of application and implementation methods	5
1.4. Reference Principles.....	5
1.5. Recipients	6
2. Integration of Sustainability Factors into Investment Decisions...7	
3. Monitoring of Sustainability Factors in Investments	10
4. Engagement and Exercise of Voting Rights	11
5. Reporting.....	12

1. INTRODUCTION

The Poste Vita Group is aware that through the implementation of effective investment processes, the insurance sector can help protect society, promote innovation and support economic development, by giving a relevant contribution to the Country's sustainable development.

As institutional investors, Poste Vita ("**Poste Vita**"), Poste Assicura S.p.A., Net Insurance S.p.A. e Net Insurance Life S.p.A. (hereafter each referred to as the "**Company**" and, jointly, the "**Companies**" and/or the "**Poste Vita Group**") therefore have a duty to act for the creation of long-term value. To this end, the Poste Vita Group adopts this Responsible Investment Policy (hereafter, the "**Policy**"), which describes the approach followed in managing risks and opportunities related to Environmental, Social and Governance ("**ESG**") factors within the Companies' investment processes. This choice stems from the conviction that assessing ESG risks and opportunities makes it possible to positively influence the management of investment portfolios and, at the same time, provide a concrete response to the social and environmental needs expressed by society.

In general, the Companies have already adopted - in line with the provisions of IVASS Regulation n. 24/2016 - investment policies (the "**Investment Policies**") consistent with the prudent person principle, the strategy as well as the defined risk propensity.

Within this framework, this Policy is adopted which, in line with the Investment Policies and the sustainability plan of the Poste Vita Group — developed consistently with the sustainability strategy of the Poste Italiane Group — outlines the commitment of the Companies to integrating ESG topics into their strategy, with specific reference to the insurance and financial sectors.

1.1 Objectives

Through the Policy the Company aims at:

- defining principles on the integration of sustainability risks into investment decision-making processes, always taking into account the specificity of each individual operation;
- contributing positively to the economic, social and environmental impacts of the issuers of the assets in their financial portfolios, always with a view to meeting investors' expectations;
- communicate to all stakeholders (including staff, companies, the financial community and institutions) including through the publication on the company's website of its adopted ESG policies/guidelines, its vision of social responsibility toward the management of economic, social, and environmental impacts;
- adhering in concrete to the principles and guidelines that are implemented on a national and international level for the integration of sustainability criteria in traditional insurance processes.

1.2 Glossary

For the purposes of this Policy, the following definitions apply:

- **“Investment Committee”**: instituted for each Company, it is a committee with an advisory role to Top Management to which it provides advice and support in the context of processes related to investment management and intervenes, inter alia, in defining and implementing the policies/guidelines adopted in the ESG area, as well as in monitoring the evolution of the ESG profile of the assets held in each Company's financial portfolios.
- **“Companies”**: Poste Vita S.p.A., Poste Assicura S.p.A., Net Insurance S.p.A. and Net Insurance Life S.p.A.
- **“ESG”**: Environmental, Social, Governance.
- **“Delegated Asset Managers”**: asset management companies and/or asset managers to which each Company has outsourced management and investment activities and which operate in accordance with the guidelines provided by the Companies and relevant policies, approved and forwarded from time to time.
- **“OECD”**: Organisation for Economic Co-operation and Development.
- **“UN”**: United Nations.

- **“PAI”**: Principal Adverse Impacts, meaning the most significant negative effects of investment decisions on sustainability factors, as introduced by EU Regulation 2019/2088 and identified by the Delegated Regulation (EU) 2022/1288.
- **“Policy”**: the Responsible Investment Policy of the Poste Vita Group.
- **“PRI”**: Principles for Responsible Investment promoted by the United Nations.
- **“SRI”**: Socially Responsible Investment — investment strategies that also consider ESG impacts in the selection process.
- **“Sensitive Sectors”**: sectors and/or areas of activity identified for the purposes of the Guideline on investment in sensitive sectors.

1.3 Scope of application and implementation methods

The Policy is approved by the Administrative Body of each Company and applies to Poste Vita S.p.A., Poste Assicura S.p.A., Net Insurance S.p.A. e Net Insurance Life S.p.A.

This Policy, inspired by the responsible investment strategy, applies, in the manner and scope defined below, to investments implemented by the Companies.

This Policy will be subject to periodic review for the purpose of updating in light of any evidence that may emerge and from the monitoring of national and international trends in responsible investment, and in any case whenever an update is necessary.

Companies are committed to transmitting the Policy to the Delegated Managers so that they consider the same principles and apply its contents, for those aspects relevant to their own investment activities.

1.4 Reference Principles

The Policy is founded on the Principles for Responsible Investment (**“PRI”**), six principles defined at the initiative of the United Nations, which indicate the main actions to be taken by the investor and offer specific tools aimed at integrating ESG factors within traditional investment policies.

Those involved within this Policy, therefore, operate in accordance with the principles below:

- **PRI – Principle 1:** Incorporate ESG issues into investment analysis and decision-making processes.
- **PRI – Principle 2:** Be active owners and incorporate ESG considerations into ownership policies and practices.
- **PRI – Principle 3:** Seek appropriate disclosure on ESG issues by the entities in which we invest.
- **PRI – Principle 4:** Promote acceptance and implementation of the Principles within the investment industry.
- **PRI – Principle 5:** Work together to enhance our effectiveness in implementing the Principles.
- **PRI – Principle 6:** Report on our activities and progress toward implementing the Principles.

Compliance with these principles and their concrete implementation, in line with the commitment made through the signing of the PRIs, are also consistent with the Poste Italiane Group's subscription to the principles of the United Nations Global Compact.

In addition, the Poste Vita Group considers it essential to monitor the international scenario and consider adhering to additional internationally shared principles and standards that could serve as guidelines for defining its responsible investor approach.

1.5 Recipients

The Policy is communicated to all staff, including by means of specific training sessions if the need arises, and is made available, to all stakeholders (including the market, the financial community and institutions), through the publication of the adopted ESG policies on each Company's corporate website.

2. INTEGRATION OF SUSTAINABILITY FACTORS INTO INVESTMENT DECISIONS

At a general level, Poste Vita Group's approach to integrating sustainability factors into investment processes includes the consideration of sustainability risks associated with the investment, also in light of the results of the analyses carried out for the purposes of the Own Risk and Solvency Assessment (ORSA) report.

Moreover, assessments of issuers and financial instruments are conducted based on environmental, social, and governance criteria to determine potential impacts (positive or negative) on the economic system.

The scope of this Policy covers direct investments in bonds and equities made by each Company and/or by Delegated Managers.

The equities and bonds underlying UCITS and/or other equivalent investment vehicles, in which the Companies and/or Delegated Managers have invested and which are managed independently by specific external parties such as asset management companies and/or asset managers, are subject (where the necessary data are available) exclusively to monitoring activities as further described in the following chapter "Monitoring Sustainability Factors in Investments."

Finally, regarding the application of the Policy to investments in alternative asset classes¹, it applies exclusively to the due diligence activities specified below.

¹ These asset classes represent a minimal portion of the Companies' overall portfolio.

The Companies' investment processes integrate ESG factors through the following elements:

- Exclusion criteria

Investments are excluded in:

- i. Corporate bonds and equities issued by issuers directly involved in the production of weapons banned by UN Conventions² that violate fundamental humanitarian principles (anti-personnel mines, cluster bombs, depleted uranium, biological weapons, chemical weapons, invisible fragmentation weapons, blinding lasers, incendiary weapons, white phosphorus, nuclear weapons);
- ii. Securities issued by governmental issuers flagged as high-risk by the Financial Action Task Force (FATF)³ in relation to anti-money laundering, counter-terrorism financing, and proliferation financing;
- iii. Securities issued by issuers subject to international financial sanctions—or financial embargoes—imposed by the Swiss State Secretariat for Economic Affairs (SECO), the European Union, the United Kingdom of Great Britain and Northern Ireland, the U.S. government agency “Office of Foreign Assets Control” (OFAC), or the United Nations Security Council, aimed at countering the activities of states, individuals, or organizations that threaten international peace or security.

Poste Vita Group defines and periodically monitors the list of excluded issuers pursuant to points i.-ii., based on data provided by external information providers and publicly available lists.

- ESG assessment: Investment evaluation activities also consider the environmental, social, and governance profile of bond and equity issuers, whether corporate or governmental. In particular:
 - For corporate issuers, the sustainability profile is defined by analyzing management practices and performance in areas related to climate change, natural resources, customers, suppliers, human rights, human resources, local communities, and corporate governance;
 - For government issuers, the sustainability profile is defined by analyzing commitments and results in environmental protection, civil society and solidarity, and institutional governance.

² Biological weapons as defined by the 1975 BWC Convention; chemical weapons as defined by the 1993 OPCW Convention; cluster munitions as defined by the 2008 Oslo Convention; anti-personnel mines as defined by the 1997 Ottawa Convention; non-detectable fragmenting weapons, laser weapons, incendiary weapons, and white phosphorus weapons as defined by the relevant 1983 Convention; depleted uranium as referred to in the 2010 United Nations General Assembly Resolution; nuclear weapons as referred to in the 1970 NPT and 2021 TPNW Treaties.

³ <https://www.fatf-gafi.org/en/home.html>

These analyses may be carried out with the support of specialized ESG information providers, evaluating, among other aspects, compliance with universally recognised standards issued by international bodies such as the United Nations, the International Labour Organization and the OECD.

- Sector-based watchlist: Monitoring activities and exposure limits are applied to investments in corporate bonds and equities issued by issuers operating in the following sectors: tobacco, alcohol, gambling.

To ensure the effectiveness of the ESG assessment and integration process, the Companies apply the necessary controls formalized within corporate regulations.

Regarding investments made by each Company in UCITS or equivalent financial instruments, a due diligence assessment is conducted, considering the approach adopted by the UCITS manager for ESG integration. In particular, the assessment focuses on aspects such as exclusion criteria, governance, ESG evaluation processes throughout the investment lifecycle, and investment policies implemented by the UCITS manager.

In addition to the ESG integration elements mentioned above, the Companies may consider adopting specific strategies for certain portfolios, aimed at promoting environmental and/or social characteristics. These additional responsible investment strategies may include, by way of example:

- SRI exclusions;
- Best-in-class selection;
- Selection of third-party UCITS through ESG screening of management companies and individual UCITS.

3. MONITORING SUSTAINABILITY FACTORS IN INVESTMENTS

The Poste Vita Group implements monitoring processes related to sustainability factors. These processes are aimed, on the one hand, at ensuring compliance with the with the investment strategies adopted and, on the other hand, at mitigating risks related to ESG and SRI issues. The monitoring may focus on the overall ESG profile of the portfolios or concentrate on specific systemic sustainability issues. In carrying out monitoring activities, the Poste Vita Group relies on data provided by external information providers specialized in this type of analysis and refers to market benchmark performance to evaluate its relative positioning, wherever possible.

The Investment Committee and the Board of Directors periodically receive dedicated reports regarding the monitoring of ESG profiles.

Regarding the ESG profile of the portfolios, the Poste Vita Group uses ESG ratings and indicators calculated based on information from information providers concerning corporate and governmental issuers, including where the necessary information is available, securities underlying UCITS and/or other equivalent investment vehicles.

In parallel, specific monitoring of environmental impact indicators at the portfolio level is carried out: these indicators measure, among other things, the carbon footprint and other climate-related risks, with a view to mitigating them.

Moreover, the Companies have established monitoring processes, and potential escalation procedures, in case of exposure to equity and bond securities⁴ of issuers operating in Sensitive Sectors exceeding the thresholds set in the “Guideline for Investment in Sensitive Sectors.”

Finally, Poste Vita conducts monitoring of the PAI indicators, as defined in the internal regulations on the matter.

4 The monitoring of Sensitive Sectors is carried out only with reference to direct investments in corporate bonds and equities.

4. ENGAGEMENT AND EXERCISE OF VOTING RIGHTS

The Poste Vita Group's approach to responsible investment is also based on the adoption of active ownership practices, which may consist of engagement activities or the exercise of voting rights connected to the equity holdings of the Companies. The objective of these practices is to establish effective forms of dialogue—also in collaboration with other institutional investors—with the issuers included in the portfolio, in order to promote, as much as possible, the adoption of policies and practices oriented towards sustainable development and to manage the ESG risks identified through portfolio analyses.

For further details on how engagement activities are carried out and on the criteria for exercising voting rights, please refer to the “Guideline on the Exercise of Voting Rights and Engagement Activities of the Poste Vita Group.”

5. REPORTING

The Companies publish this Policy on their websites for the benefit of customers, investors and, more generally, all stakeholders.

The Poste Vita Group provides periodic disclosure regarding the implementation of the principles contained in the Policy within the dedicated section of the Poste Italiane Group Integrated Report.

Furthermore, in accordance with applicable regulations, Poste Vita publishes on its corporate website policies regarding the integration of sustainability risks in investment decisions, including considerations of the Principal Adverse Impacts (PAI) on sustainability factors.

As a PRI signatory, Poste Vita also provides an annual report on its responsible investment activities by completing the annual PRI Report.

