GUIDELINES FOR RESPONSIBLE INVESTING

August 2022

Unipol
GRUPPO

GUIDELINES FOR RESPONSIBLE INVESTING

August 2022

Unipol
GRUPPO

CONTENTS

1. Introduction

1.1. Document Objectives

This document defines the guidelines for responsible investing (the "Guidelines") with a view towards identifying and managing specific risks and impacts with reference to ESG factors and to financially support sustainable growth as outlined by the European Commission in the action plan “Financing Sustainable Growth” published in March 2018.

The guidelines govern investing activities with reference to the "Portfolios" and the asset classes set out in detail below (paragraph 2.2), promoting:2.2

- the incorporation of ESG factors into the analysis of the investments and the related decision-making process, the issuer selection criteria and the management of the investments themselves;
- the progressive expansion of financial asset monitoring in terms of ESG performance and the expansion of its offer of sustainable financial products[1];
- the thematic and impact investments through which 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.

1.2. Approval and revision of the document

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

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

[1] 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).

The 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.

2. Reference context

2.1. Regulatory references

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

European legislation:

- Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosure in the financial services sector;
- Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 relating to the establishment of a framework that favours sustainable investments and containing an amendment to regulation (EU) 2019/2088.
- Delegated Regulation (EU) 2021/1256 of the Commission of 21 April 2021 amending delegated regulation (EU) 2015/35 as concerns the integration of sustainability risks in the governance of insurance and reinsurance companies.
- Delegated Regulation (EU) 2021/1257 of the Commission of 21 April 2021 amending delegated regulations (EU) 2017/2358 and (EU) 2017/2359 as regards the integration of sustainability factors, sustainability risks and sustainability preferences in the product control and governance requirements for insurance companies and insurance product distributors and in the rules of conduct and in consultancy on the subject of investments for insurance investment products;
- 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").

Domestic regulations:

- Legislative Decree no. 209 of 7 September 2005 ("Private Insurance Code");
- IVASS Regulation no. 41 of 2 August 2018 containing provisions regarding computer, advertising and insurance product creation issues in accordance with the Private Insurance Code;
- Legislative Decree no. 252 of 5 December 2005 containing the Regulation on supplementary pension schemes.

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

2.2. Scope of application

The Guidelines are adopted:

- by Unipol;
- by the Group's insurance companies with registered offices in the European Economic Area (hereinafter also referred to as the "Insurance Companies" and severally as the "Insurance Company" intended together with the Parent Company, the "Insurance Scope");
- by UnipolSai Investimenti SGR S.p.A.[2]

With specific reference to the Portfolios, the Guidelines apply to:

- Class C Life Portfolio,
- Non-life Portfolio,
- Class D Portfolio (Unit Linked and Index Linked), limited to the ex post monitoring activities as specified below (paragraph 5.2);5.2
- Pension Fund Portfolio, limited to the ex post monitoring activities as specified below (paragraph 5.2);5.2
- Real Estate Portfolio, limited to the properties directly held by the Companies in scope.

With reference to the Macro Asset Class/Asset Class, the Guidelines apply to the following types of investment:

- equity;
- corporate bonds;
- government bonds;
- 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;
- real estate.

Currently the Macro Asset Classes/Asset Classes relating to the following do not fall within the scope: Undertakings for collective investments (not including private equity funds or real asset funds for the portion of investments that have a positive environmental and/or social impact along with a financial return- known as "impact" investments), derivative financial instruments and liquid assets.

[2] The latter only for to its own assets, thus excluding the assets of the undertakings for collective investments (UCIs) it manages.

2.3. Definitions and terminology

Paris Agreement	Agreement adopted at the Paris climate conference (COP21) in 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 4 November 2016, following ratification by 55 countries, responsible for at least 55% of global emissions.
Responsible business conduct	Business conduct that complies with the OECD Guidelines aimed at multi-national enterprises, organised into the following aspects: disclosure of information, human rights, employment and industrial relations, environment, anti-corruption, the incitement to commit bribery and extortion, consumer interest, science and technology, competition, tax.
Negative effect on sustainability	Negative impact on the ESG Factors of the investment decisions.
Issuers	Parties who issue financial instruments to be put into circulation and therefore traded on the market in order to fund their activities. The companies organised into joint stock companies, companies that fund their medium and long-term debt (corporate issuers) and countries that fund their public debt (government issuers) are the most important issuers of financial instruments.
Product-based and conduct-based exclusions	Product-based exclusion is sector-type exclusion or the exclusion of an economic activity. Conduct-based exclusion is based on the conduct of the issuer evaluated in accordance with the three ESG dimensions.
ESG	Environmental, Social, Governance
ESG Factors	Matters with environmental, social and governance impact considered to be relevant for the Group, the applicable stakeholders and for society as a whole[3].
GHG Protocol	Arising from a partnership between World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD), the GHG Protocol establishes a complete and standardised global framework for measuring and managing greenhouse gas (GHG) emissions coming from direct activities, value chains and actions to mitigate the private and public sector.

[3] 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.

Green Bonds	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 use of the land, etc.[4]
Responsible investment (or SRI - Sustainable and Responsible Investment)	Responsible Investment, also abbreviated with the acronym SRI (Sustainable and Responsible Investment) is the 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 goal, measured, for example, using key resource efficiency indicators on the use of energy, the use of renewable energy, the use of raw materials and water resources and use of the ground, the production of waste, the emission of greenhouse gases and the impact on biodiversity and the circular economy or an investment in an economic activity that contributes to a social goal, especially an investment that contributes towards the fight against inequality, or that promotes social cohesion, social integration and industrial relations, or an investment in human capital or in economically or socially disadvantaged communities, on condition that said investments do not cause significant damage to any of said goals and that the companies that benefit from such investments comply with good governance standards, especially with regard to solid management structures, staff relations, staff remuneration and compliance with tax obligations (article 2, no. 17 of Regulation (EU) 2019/2088).
OECD Guidelines for Multinational Enterprises	Body of recommendations aimed at the government signatories of the "Declaration on international investments and multinational enterprises" of the OECD of 27 June 2000 to multinational enterprises. 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.
United Nations Sustainable Development Goals (or "SDGs")	Sustainable Development Goals (SDGs) - defined within the scope of the "2030 Agenda for Sustainable Development" 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.

[4] As regards the green investments fundable with income from the issue of "Green Bonds" by the Group companies, the Guidelines are integrated with forecasts of the Green Bond Framework of Unipol Group - UnipolSai Assicurazioni S.p.A.

("OECD")	Organisation for Economic Cooperation and Development
OECD Responsible business conduct for institutional investors	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.
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 ESG-type event or condition that, if it occurs, 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.

3. Responsible investment principles

Unipol believes it is essential to integrate the consideration of sustainability risks and negative effects for sustainability in the investment decision-making process, consistent with the prudent person principle referred to in the Group's investment policy. The Companies in scope that operate as managers of financial and property resources undertake to:

- act with due care, competence and diligence, in accordance with applicable professional rules and *standards* of conduct, in accordance with the principles of loyalty and prudence and in line with the good practices promoted within the scope of international initiatives with respect to sustainability, starting with those promoted by the United Nations, inter alia, the Sustainable Development Goals, the *Principles for Responsible Investment*, the *Responsible Business Conduct* examples set out by the OECD Guidelines for multinational enterprises;
- act in good faith in the interest of its customers, avoiding conflicts of interest, or where inevitable, to manage, balance and communicate said conflicts;
- take into account: (i) Sustainability Risks when identifying, measuring, monitoring, managing, checking, reporting and assessing risks arising from the investments and (ii)

the potential impact, including long-term, of the strategy and investment decisions on the ESG Factors[5].

Regarding conflicts of interest, the Group has introduced- and updates - a policy on conflicts of interest ("Policy on managing conflicts of interest - insurance sector"), which, inter alia, identifies the circumstances that generate or could generate a conflict of interest in relation to the specific activities of financial asset management by defining organisational procedures and measures to be adopted in order to manage those conflicts.

4. Incorporation of the ESG factors into the decision-making processes relating to investments

ESG factors in investment activities are monitored by incorporating them into the decision-making process.

This allows the efficient management of portfolio risk elements, even in contexts featuring high volatility and taking account the oversight policies provided for in the Group's *Investment Policy*.

The *ESG* factors are significant aspects that need to be taken into consideration, in order to both improve the monitoring of risk, and identify areas of activities that can create long-term value and comply with the most relevant social and environmental requirements more efficiently.

The proactive inclusion of *ESG* factors in the investment process allows long-term financial returns to be obtained that are risk appropriate.

More specifically, the aspects that need monitoring are:

- the sustainability risks through the definition of investment decision-making criteria and processes that take into account the actual or potential impacts on their value;
- the negative effects for sustainability through a process of due diligence aimed at identifying, preventing and reducing those effects while verifying and evaluating the Issuers' approach to responsible conduct principles.

5. The financial investments

5.1. Investment strategies

The incorporation of the ESG factors into the decision-making processes relating to financial investments is carried out by adopting the following investment strategies:

- ESG performance screening, which among other things takes into consideration the International Conventions on sustainability;
- *product-based* and *conduct-based* exclusions;

[5] Where pertinent, this strategy and these decisions take into consideration potential sustainability preferences that customers might express and that are considered in the product design process pursuant to Art. 4 of Delegated Regulation (EU) 2017/2358 of the European Commission.

- Thematic Investments;
- Impact Investments.

The companies in scope can also carry out:

- engagement with the ESG Factors in association with other investors in cases where it believes that collective action by institutions with similar interests could improve results;
- direct engagement (*one-to-one*) on ESG Factors during events dedicated to more in-depth analyses of the strategies adopted by investee companies, where deemed opportune.

Detailed information on the approach aimed at integrating the consideration of sustainability risks and negative effects for sustainability in the decision-making processes concerning financial investments is provided below.

5.1.1 Monitoring of the sustainability risks and negative effects for sustainability when selecting Corporate Issuers

The following elements are considered when selecting the Corporate Issuers in which to invest:

- as regards the environmental nature, the presence of environmental management policies and systems aimed at monitoring environmental impacts, the approach to biodiversity, the climate strategy and the decarbonisation strategy is assessed;
- as regards the social nature, observance of human and workers' rights, the ability to attract and develop talents, and the role within the community of reference are assessed;
- as regards the economic and governance nature, the corporate governance system, business conduct, risk management, customer relations, management of the supply chain and IT security are assessed.

Prompt assessment of these elements, carried out considering the characteristics of the sector in which the Issuers operator and broken down into the different detailed natures forming them, defines their positioning from an ESG viewpoint.

This analysis allows the potential areas of sustainability risk to be monitored and evaluated, and more specifically:

a. the events connected to ESG aspects that generate legal and/or reputational risks, for example in relation to the presence of accusations and lawsuits involving the issuers under consideration, which may have a potential impact on the value of the security;

b. the *ESG* conduct of the issuers, checking to what extent they are committed to defining controls (such as *business ethics* and relative supervision, proactive supervision of the risk model and related connection to the strategy, management control and supervision tools of the *board*, corporate culture, accountability) that could avoid or reduce the events connected to ESG aspects;

c. the capacity of issuers to manage the ESG aspects that could lead to competitive advantages or disadvantages, for example the capacity or inability to pre-empt developments in the regulations and the business environment related to the management of the ESG aspects; special attention in this sense is paid to the issuers' approach to the climate transition risks.

Starting from the findings in these areas, the Group is consolidating a model that allows the impacts of the sustainability risks on the value of the investments to be assessed.

5.1.1.1. Corporate Issuer *Exclusions*

There are two types of exclusions foreseen for Corporate Issuers, as described below, which are based on the analysis of the Issuers' ESG performance.

Conduct-based exclusions

Investments in *Corporate* Issuers that in the performance of their main business activities are involved in the following actions are excluded from the investments:

- violations of human and workers' rights;
- exploitation of natural resources that does not take due account of environmental impacts;
- systematic reliance on corruption in *business* management.

The Group also excludes Issuers that do not meet the minimum requirements of commitment and monitoring of performance in these areas.

Product-based exclusions

Investments in *Corporate* Issuers involved in the following are ruled out:

- manufacture of unconventional weapons (nuclear weapons, cluster bombs, anti-personnel mines, chemical weapons, biological weapons, incendiary weapons);
- gambling (at least 20% of turnover);
- coal mining (see paragraph 5.1.3);
- electricity generation from thermal coal (see paragraph 5.1.3);
- tar sands (see paragraph 5.1.3);
- shale gas (see paragraph 5.1.3);
- Arctic drilling (see paragraph 5.1.3).

5.1.2. Monitoring of the sustainability risks and Negative Effects for sustainability when selecting Government Issuers

The following elements are considered when selecting the Government Issuers in which to invest:

- as regards the environmental nature, among others regulation of the environmental aspects, the intensity of the greenhouse gas emissions and the decarbonisation outlooks, and innovation in the environmental area are assessed;
- as regards the social nature, among others observance of civil and political rights, freedom of expression, integrity of the person, gender and minority rights, workers' rights, and the situation concerning individual and community safety are assessed;
- as regards the governance nature, among others the presence and proper functioning of the institutions, and the effectiveness of legislation on the subject of corruption, taxation and respect for private property are assessed.

The due assessment of those elements, arranged according to the various levels of detail that they are comprised of, defines the positioning of the Government Issuers from an ESG perspective.

5.1.2.1. Exclusion of Government Issuers

The group believes that it is unsustainable to invest in government securities issued by countries where there are serious violations of human rights or predatory policies with respect to environmental resources with global impact.

5.1.3. Climate change

Climate change is one of the most significant sustainability risk factors, and one of the most significant areas in which the negative effects on sustainability can be established.

The Group's commitment to fighting climate change, defined in detail with "The Unipol Group Strategy on Climate Change", makes the financial activity explicit:

- participation in the Net Zero Asset Owner Alliance, which entails the commitment to reduce the emissions of its investment portfolios to net zero greenhouse gas emissions by 2050 and acting to reduce greenhouse gas emissions through the engagement of the investee companies;
- in “selective” exclusions of the Corporate Issuers operating in the most impacting sectors (see details below);
- support, through responsible investments, for a transition to a low-carbon economy.

By recognising the particularly harmful impact on the climate of the use of coal and other fossil sources as thermal sources, the Group excludes, a priori, from new investments, those Corporate Issuers that obtain 30% and more of their earnings from coal mining activities or the generation of electricity from thermal coal, and from activities connected with tar sands, shale gas and Arctic drilling, and that do not show a sufficiently ambitious position in terms of transitioning their business to a low-carbon regime. Specific indicators and *forward-looking ratings* are used to measure those positions and are supplied by specialised research agencies.

Additionally, 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.

Finally, in order to understand more fully how its investments influence climate change, the group measures and monitors the **carbon footprint** of its financial portfolio and evaluates its future alignment with the Paris Agreement goals (***Climate alignment)*** on a *forward-looking* basis.

The thematic investments (paragraph 5.1.5) are additional instruments that support the fight against climate change, with a specific inclination towards *green energy* and *green technology*.

5.1.4 Management of sustainability risks and the negative effects for sustainability with regard to the investments already in place

If issuers that no longer comply with the established admissibility criteria are present in the portfolio, a monitoring and in-depth investigation plan will be set in motion, with a maximum duration of two years, at the beginning of which the issuer will be notified of its failure to comply and the relative reasons, and during which time whether the reasons behind the non-compliance still hold true or not will be checked. If the reasons behind the non-compliance still hold true at the end of the evaluation period, the option of selling the securities of said issuer will be considered.

For an assessment of specific critical cases which are significant owing to potential financial or reputational impacts, the Departments that manage the investments will start up the involvement plan as described in paragraph 7.11.

5.1.5. Thematic and Impact Investments

A portion of the Group portfolio is dedicated to the development of thematic investments to support the achievement of the United Nations Sustainable Development Goals (SDGs). The Unipol Group believes that thematic investments are an opportunity to let it steer financial resources towards social or environmental targets with the advantage of being able to measure the results achieved.

Thematic investments are characterised by:

- intentionality - the impact is not a collateral effect but becomes part of the investment goal;
- 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 shown how certain *asset classes,* such as *Infrastructure Funds, Private Equity* and *Renewable Energy,* are especially suitable as investments that have a positive environmental and social impact, along with a financial return (known as "impact" investments).

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

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

The approach of the Unipol Group to the identification of the thematic investments and impact investments are kept constantly under review and development:

- to guarantee alignment with the formulation implemented in this area at European level as envisaged in the "Plan of action to finance sustainable growth";
- to fully pursue the commitments undertaken by 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.

5.2. Class D and Pension Fund Portfolios

At the date of publication of these Guidelines, the Group's commitment within the scope of the Class D Portfolios and the Pension Funds entails:

- the *ex post* monitoring of the direct investments underlying the Class D and Pension Fund portfolios in order to check to what extent they comply with the *ESG* criteria defined by these Guidelines, oversee the sustainability risks and the negative effects connected to said investments and as a consequence, the products that underlie those investments;
- the definition and management of specific investment options that incorporate the ESG factors in the issuer selection criteria and the management of the investments as foreseen under the prevailing pre-contractual and contractual documentation.

The Group undertakes to progressively extend its monitoring of the ESG aspects to the Class D and Pension Fund portfolios mainly by increasing its offer of sustainable financial products[6].

6. Real Estate

The incorporation of the *ESG* factors into the decision-making processes related to real estate investments will be carried out by the definition of undertakings and the related oversight of the various investment stages:

- purchase of properties;
- development activities;

---

[6] Please refer to note 1.

- management activities;

as described below.

6.1. 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.

6.2. 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.

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.

6.3. 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 that plan include the adoption of rigorous and certified management systems, investments to reduce the consumption of resources and the acquisition of energy from renewable sources.

As its first scope of reference is capital goods, the Group has set out a structured pathway to attain the defined objective. In line with climate science, and in particular with the scenario of curbing the increase in the average global temperature to within 1.5°C, Unipol undertakes to reduce Scope 1 and Scope 2 emissions linked to consumption of electricity, gas and other energy sources for all buildings over which the Group has direct control, from the operating sites, the insurance core business and those of the diversified companies to the real estate where the UNA Group operates and the foreign sites by 46.2% by 2030 compared to 2019, using the market-based method in agreement with the GHG Protocol.

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 Risks Committee and examination of the Nomantion, Governance and Sustainability Committee and the Group Risk Committee - these Guidelines, which define the framework of identification, assessment, monitoring and management of the sustainability risks and the negative effects on sustainability tied to the 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 Risks Committee

The Control and Risks Committee of the Parent Company[7]and of UnipolSai Assicurazioni S.p.A. ("UnipolSai") provide support for their respective Boards of Directors in identifying and managing the main corporate risks and in checking to ensure that they are properly identified, adequately measured, managed and monitored, as well as their compatibility with a management of businesses that is consistent with the strategic objectives identified.

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

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

7.3. Group Risk Committee

The Group Risk Committee examines the content of these Guidelines and the framework for identifying, assessing, monitoring and managing Sustainability Risks and Negative Effects on sustainability tied to the investment decisions defined by them, and their subsequent substantial amendments.

7.4. Nomination, Governance and Sustainability Committee

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

The aforesaid Nomination, Governance and Sustainability Committees, each for that which concerns their competence, previously examine the content of these Guidelines, and the framework of 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 administration bodies.

7.5. Group Investment Committee

Within the scope of the asset and financial management, the Group Investment Committee:

- implements the investment strategies defined in these Guidelines;
- with the support of the Parent Company's Risk Area, evaluates the potential sustainability risks and negative effects for sustainability, and reports on any critical situations.

7.6. UnipolSai Financial Investment Committee

The UnipolSai Financial Investment Committee monitors, at least once a year, the operating guidelines defined by the Financial Management of UnipolSai in order to guarantee the effective application of these Guidelines.

7.7. UnipolSai Real Estate Investment Committee

The UnipolSai Real Estate Investment Committee monitors, at least once a year, the operating guidelines defined by the Real Estate Management of UnipolSai in order to guarantee the effective application of these Guidelines. 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.

7.8. Investment Area of the Parent Company

The Parent Company's Investment Area will guarantee the application of these Guidelines in order to direct investment activities with reference to the responsible Investments as related to all financial and real estate activities.

7.9. UnipolSai Finance Department

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

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

7.10. UnipolSai Real Estate Department

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

7.11. UnipolSai Sustainability Department

The UnipolSai Sustainability Department monitors regulatory and strategic evolution on the subject of Sustainable Finance and, together with the UnipolSai Finance Department, prepares the draft amendments of the Guidelines with the framework of identification, assessment, monitoring and management of the Sustainability Risks and Negative Effects on sustainability tied to the investment decisions defined by them.

The *Sustainability* Department, with the possible support of the Risk Area, supports the Financial Department in evaluating specific critical cases regarding issuer selection. If the above-mentioned Departments believe it necessary, said cases may be submitted for examination by the Group Risk Committee.

In order to carry out the activities described, the *Sustainability* Department involves and works with the relevant departments of the Companies in scope.

7.12. UnipolSai Risk Area

The UnipolSai Risk Area proposes, applies and updates the framework for identifying, assessing, monitoring and managing Sustainability Risks and Negative Effects on sustainability tied to the investment decisions contained in the Guidelines.

The Risk Area carries out the second level controls regarding the application of these Guidelines, checking compliance of the general and specific goals with the financial and real estate activities and prepares the applicable report as described in paragraph 8.

8. Reporting

The Risk Area of UnipolSai, based on the approved framework for identifying, assessing, monitoring and managing the Sustainability Risks and Negative Effects on sustainability tied to the investment decisions, prepares a report for all the companies in scope regarding the development of sustainability risks and negative effects for sustainability, which it submits to the Board of Directors and the Control and Risks Committee at least once a year.

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

Unipol Gruppo S.p.A.
Registered office
Via Stalingrado, 45
40128 Bologna
unipol.it