

February 2022

# Active Ownership Report 2021 of Assicurazioni Generali S.p.A. Group



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# Preface

Active Ownership Report 2021 of Assicurazioni Generali S.p.A. Group issued pursuant to Italian regulation\* implementing Shareholder Rights Directive II directive (SRD II), directive 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement.

## Disclaimer:

This report is issued for the benefit of all Generali Group insurance undertakings indistinctively, although the reporting obligation foreseen by SRD II directive is intended to apply solely to insurance or reinsurance undertaking authorized to carry out insurance or reinsurance activities in the life classes. Further, this report is issued for the benefit of investments of Group open pension funds.

Although the reporting obligation foreseen by SRD II directive is limited to investments in companies with shares admitted to trading on regulated markets of European Union Member States, the present report refers also to shares admitted to trading on non-European Union regulated markets, participation in private companies and investments in corporate bonds.

Source of data: Assicurazioni Generali S.p.A. Group own data and elaboration.

Any terms not defined in the text of the report shall have the meaning ascribed to them in the Glossary.

\*For insurance / reinsurance companies: art. 4 comma 3 Regolamento Ivass n. 46 del 17 novembre 2020, recante disposizioni in materia di trasparenza della politica di impegno e degli elementi di strategia di investimento azionario delle imprese di assicurazione o di riassicurazione, ai sensi dell'art. 124 novies, comma 3 lett. a del Testo Unico delle disposizioni in materia di intermediazione finanziaria.  
For pension funds: art. 4 comma 3 Delibera Covip del 2 dicembre 2020 - Regolamento in materia di trasparenza della politica di impegno e degli elementi della strategia di investimento azionario dei fondi pensione.

# Foreword

Generali reporting on sustainability dates back to 2004, with the first data on the exercise of voting rights and dialogue with investee companies making their appearance ten years later, in the Group sustainability report of 2014. Further, as member of the PRI, since 2018, Generali publishes a public annual report (under the so called PRI Reporting Framework) focused on its role as sustainable investor [[search last published report here](#)].

This is the first report of Generali insurance companies under the framework introduced almost five years ago by Shareholder Rights Directive II, published in May 2017 (“SRD II”). The report is written pursuant to Active Ownership Group Guideline, an extract of which is available on the [responsible investments page](#) of Generali Group website. The report will disclose our engagement policy and its execution through corporate dialogue and proxy voting during 2021. Furthermore, even if not specifically addressed by the directive, we will report on our role of support to our networks in engaging with policymakers and standard setters.

The introduction by SRD II directive of an accountability model based on the shareholder power of investors set a first – and yet fundamental – step toward a role of investors as promoter (and challenger) of sustainability practices of investee companies. For Generali Group, sustainability (along with people and brand) has been one of the three key enablers for the execution of the strategic plan 2018-2021 and it has been confirmed as part of its vision for the strategic plan 2022-2024.

The core of sustainability factors of Generali Group is represented by the values highlighted in the Group [Materiality Matrix](#). The Matrix is placed at the basis of Generali Group strategies to generate lasting value for all stakeholders and is anchored in the UN 2030 Agenda and the related Sustainable Development Goals.

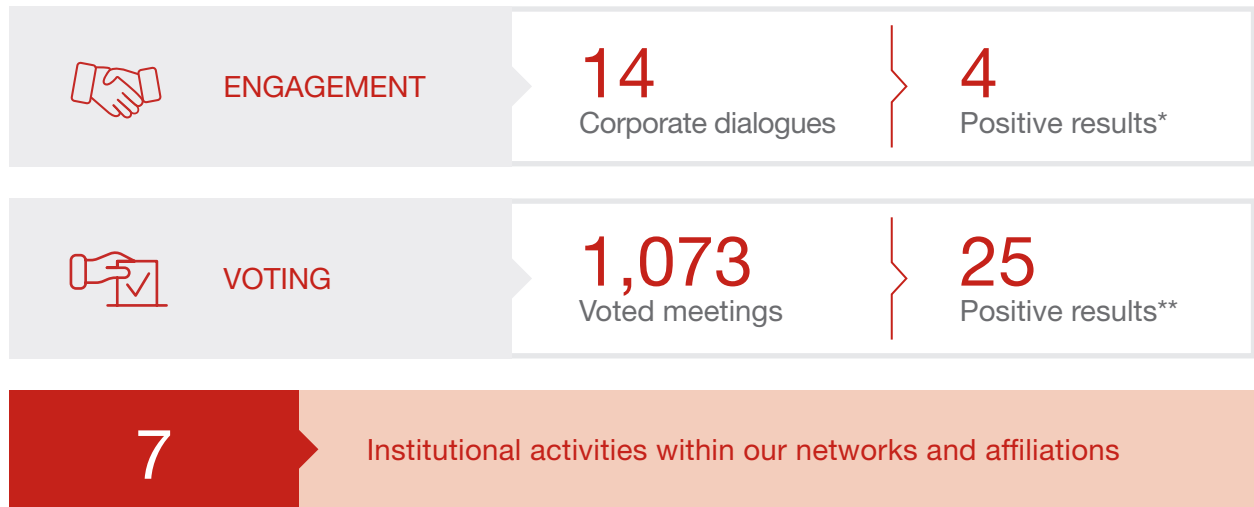
In reporting herein on our active ownership activities and on how investee company behaved (also in consequence of our inputs) in the course of 2021, we make reference to the Matrix, as in engaging and voting we ultimately express our fiduciary duty towards our stakeholders (shareholders, policyholders, and broadly the civil society where the Group operates), whose values the Matrix aims at reflecting.

On one hand sustainability considerations, both on the side of investors and investee companies, are decisively becoming mainstream as a natural component of the ordinary business, however, on the other hand, there is a generalized perception that current efforts may not be sufficient and that achievement of the goals of the Paris Agreement on climate change and of the UN SDGs by 2030 may be unlikely, given the current pace.

In a struggle to structure the EU financial market sustainability efforts and avoiding risks of systemic greenwashing, 2021 dialogue within policymakers and standard setters have been characterized by fierce debate on the cornerstone topic of the definition of the EU Taxonomy, together with a mounting debate on divisive practices such as carbon offsetting and the voluntary market for carbon credits, reaffirmed by COP26 in November. Attention to these topics went hand in hand with an increase of board level oversight of climate and management of environmental social and governance (“ESG”) risk, as well as a generalized focus on directors’ accountability and skills.

We have begun to see companies asking shareholders to vote on their climate actions, along with a significant amount of shareholder resolutions challenging management to take more ambitious decarbonization targets, in line with decarbonization pathway traced by Paris Agreement since its entry into force on November 2016.

# Implementation of Active Ownership Group Guideline in 2021



\* Corporate dialogues with investee companies that led to a tangible result.

\*\* Generali votes on topics of the Group Materiality Matrix that have contributed to the passing of a shareholder resolution or to the blocking (not passing) of a management proposal.











## Corporate engagements

This section aims at illustrating the different private (individual or collective) or public dialogues with executives or board members of the investee companies that have been conducted in 2021. Dialogue is steered and supervised by the Group Engagement Committee. Execution of engagements pertaining to Group decarbonization targets and on diversity and inclusion is performed directly by Generali Group as asset owner, whereas engagements based on Group exclusion policy to investments are executed by the asset managers the Group avails itself of (mainly our asset manager GIAM) and reported to the Group Engagement Committee.

The engagement on coal exclusion in Central Eastern Europe countries is held by local Group insurance companies.

We provide herein an explanation of the different dialogues we hold with investee companies, their link with Group Materiality Matrix (and the correspondent SDGs) and the positive results achieved. In some cases, positive achievements have reached the consequence of contributing to removing a company from the watchlist of our exclusion policy, in interrupting business relationship with a client and in supporting investment decisions.

Engagement topic	Materiality Matrix Megatrend	Link with SDGs	Number of engagements	Positive results
Portfolio decarbonization engagements: engaging for real economy impact	Climate change	 	4	Ongoing
Exclusion policy engagements	Transparency and purpose-driven businesses		2 corruption 3 environment 1 governance	<b>1 corruption case</b> removed from watchlist <b>1 environment case</b> closed for improvements and decrease of exposure <b>1 governance case</b> closed for improvements
Engagement in Countries heavily dependent on coal	Climate change	 	4	<b>1 termination of business relationship</b> with client
	Geopolitical and financial instability			
Diversity and inclusion (gender) rate in boards and top management	Women and minorities inclusion	 	Screening of investment universe	Ongoing
<b>TOTAL</b>			<b>14</b>	<b>4</b>

## Focus on corporate engagement

### Portfolio decarbonization engagements

Engagement topic	Materiality Matrix Megatrend	Link with SDGs	Number of engagements	Positive results
Portfolio decarbonization engagements	Climate change	 	4	Ongoing

In January 2020, Assicurazioni Generali S.p.A. joined the UN-convened Net-Zero Asset Owner Alliance (“Net-Zero Alliance”), a network of investors strongly committed to transitioning their investment portfolios to net-zero greenhouse gas emissions by 2050 consistent with a maximum temperature rise of 1.5 °C degrees above pre-industrial temperatures. Pursuant to the net-zero commitment, we have proceeded to a thorough review of our investment portfolio with the purpose of identifying issuers with the greatest carbon footprint.


In execution of obligations set by Net-Zero Alliance, Generali Group committed to engage with 20 carbon-intensive investees by 2025. The intent is to ease portfolio decarbonization while influencing issuers’ climate change strategy. Our aim is to ask these companies to take substantial steps to reduce greenhouse gas emissions in their organizations’ operations, supply chain and products in line with what the latest scientific recommendations ask (e.g. the 2018 IPCC Special Report on Global Warming of 1.5 °C). Our intention is to cover with investee companies the topics highlighted by the Climate Action 100+ initiative, with a particular focus on climate policy, climate-related risks, climate lobbying and just transition.

Companies to engage are selected among issuers of intensive sectors (utilities, energy, steel, cement, transportation) and ranked according to their carbon footprint impact in our investments portfolio (highest to lowest, by apportioned emissions).

The engagement effort towards investee companies is oriented toward decarbonization underperformers (laggards), prioritizing those not yet committed to decarbonization targets approved by the Science Based Target initiative. So far, we have engaged four issuers (one company individually and the other three collectively, as co-leaders with other investors).

Investment / ESG analysis and credit research functions are kept informed on the status of ongoing active ownership activities through the Group Engagement Committee. Information on active ownership activities may help Investments / ESG analysis and credit research functions to form a more holistic view on an issuer, or to differentiate companies with similar financial profiles, however it is ultimately left to their discretion to assess on a case-by-case basis how and to which extent to make use of the qualitative information we provide.

### Exclusion policy engagements

Engagement topic	Materiality Matrix Megatrend	Link with SDGs	Number of engagements	Positive results
Exclusion policy engagements	Transparency and purpose-driven businesses		2 corruption 3 environment 1 governance	<b>1 corruption case</b> removed from watchlist <b>1 environment case</b> closed for improvements and decrease of exposure <b>1 governance case</b> closed for improvements

Our [Responsible Investment Group Guideline](#) has defined an exclusion policy disciplining (and limiting) investments in companies involved in controversies and/or in controversial business sectors.

Under the exclusion policy regime, companies involved in controversies and/or in controversial business sectors are either (i) excluded from the investment universe if not meeting Group requirements (restricted list) or (ii) strictly monitored and possibly engaged to clarifying relevant allegations and remedial action taken, in relation to their poor ESG practices (watch list), resulting in no new investments allowed in companies under the watch list, until the engagement is successful. The exclusion policy applies in cases of transversal controversial matters on governance, corruption, transparency, sector specifics.

For instance, coal has been identified as a controversial business sector. Pursuant to its climate strategy, in the coming years Generali will gradually lower the exclusion thresholds for the coal sector in order to reach a complete phase out.

In line with the current exclusion policy, the new restrictions will apply both to new investments and to existing investment exposure, with an approach of divestment for equity exposures and run-off for fixed income exposures. Companies with decarbonization or coal phase out strategies aligned with the pathways to limit the increase in the temperature to 1.5 °C will not be excluded by the new thresholds unless they are developing new coal capacity.

Companies are engaged if more information is required to clarify their coal-related strategies and to encourage these companies to climate-proof their business activities.

Until the end of the engagement, no new investments are allowed. If engagement efforts do not lead to positive results, companies will be excluded from the investment portfolio. These engagements are executed directly by the asset manager in charge of managing the relevant investments and reported to Group Engagement Committee.

During 2021, one engagement on corruption started in 2019 has been terminated due to accomplishment of engagement targets and the company has then been removed from the watchlist.

An engagement on environmental topics terminated due to partial achievement of results and a substantial decrease of our exposure to the company; lastly, an engagement in governance initiated in 2019 has ended in 2021 due to progresses the company has shown and submitted for approval at its 2020 and 2021 annual meetings.

## Engagement in Countries heavily dependent on coal

Engagement topic	Materiality Matrix Megatrend	Link with SDGs	Number of engagements	Positive results
Engagement in Countries heavily dependent on coal	Climate change	 	4	1 termination of business relationship with client
	Geopolitical and financial instability			

On 21 February 2018, the Board of Directors of Assicurazioni Generali S.p.A. approved the Group strategy on climate change, adopting significant actions to decarbonize the investments and underwriting activities, which represent the Group's core businesses.

Since then, the document has been kept updated (last update: July 2021), detailing the way the strategy is implemented to facilitate the transition towards a net-zero future.



In countries where the economy and employment depend heavily on the coal (i.e. countries where the coal share in the national power mix exceeds 45% and Generali is a primary investor and/or insurer), Generali is engaging with companies of the coal sector with the aim to accelerate their efforts towards decarbonization plans that combine climate action with the adoption of protective measures for workers and the local communities.

The engagement process, started in July 2018, enables Generali to decide whether to continue insuring the coal-related activities of these companies and to include them in the direct investment portfolio. Through local insurance companies, Generali keeps monitored the level of implementation of their decarbonization plans and updates on this process through Group reporting.

To date, the engagement resulted in the termination of the business relationship with four companies, while Generali has continued to keep three coal clients in its portfolio and to engage with them.

## Engagement on raising women rate in boards and top management

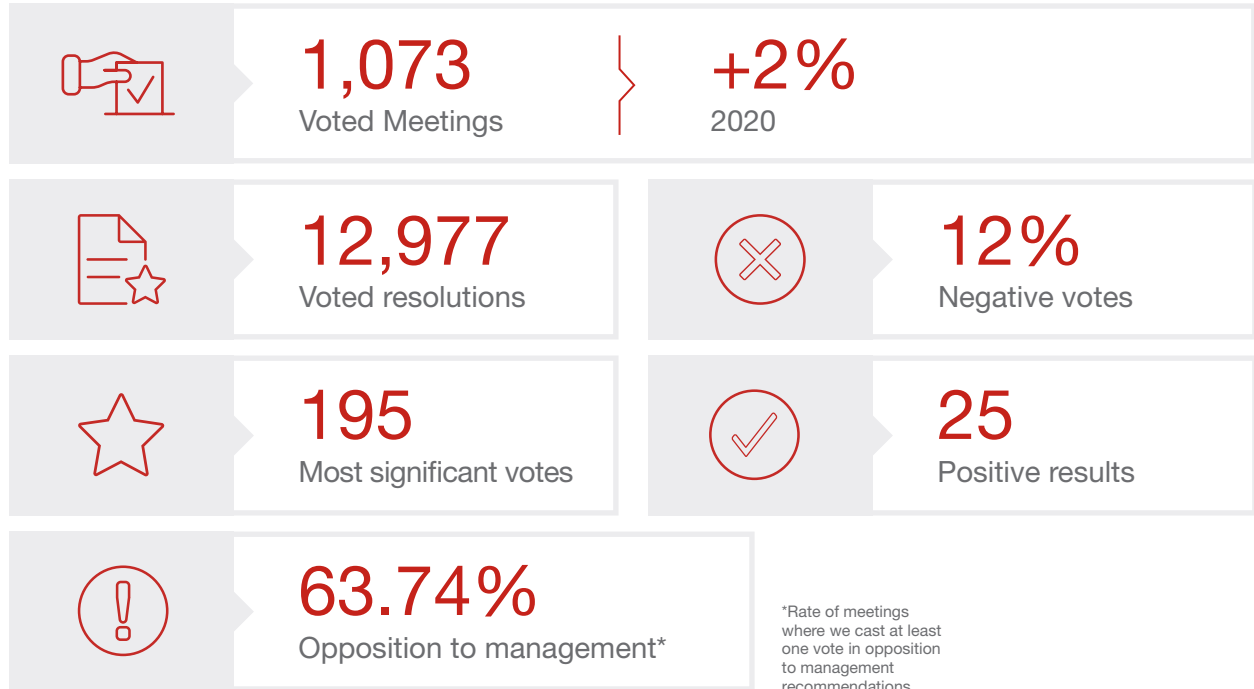
Engagement topic	Materiality Matrix Megatrend	Link with SDGs	Number of engagements	Positive results
Diversity and inclusion (gender) rate in boards and top management	Women and minorities inclusion	 	Screening of investment universe	Ongoing

In January 2022 our Group Engagement Committee has approved an engagement campaign to begin this year, aiming at sensibilizing investee companies on the women quota on boards and top management.

The campaign will target, engage and subsequently monitor companies whose board and top management is below 40% women rate. As per our [Diversity Policy for members of the Corporate Bodies](#) (lastly updated in November 2021), current quota of female directors in Generali's Board is 38.5% and, coherently with newly enacted legislation, will exceed 40% from 2022. With respect to top management, the 2024 Group target is to raise to 40% rate of women in leadership positions.

Besides its internal targets, Generali Group promotes gender equality also supporting the diversity and inclusion initiatives of the Investor Leadership Network (letter co-signed by CEOs in June 2020) and under the umbrella of principle 6 ("Promote equality through community initiatives and advocacy") of Women's Empowerment Principles (WEPs) of the UN Global Compact, of which Generali Group is a member.

## 2021 Main voting figures



### Introduction

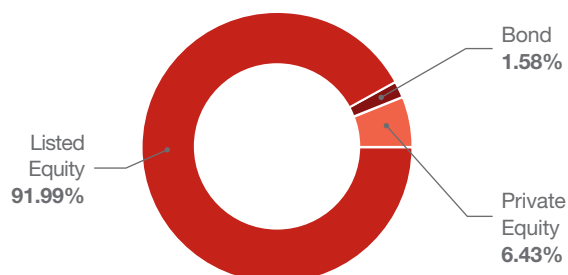
In this section, after an illustration of the geographical distribution of our votes, we will briefly explain the voting behavior of Generali Group, with a focus on our use of proxy advisors and a comparison of our votes to management recommendations. Given their perceived importance, we

will then focus on the votes that, being tied to the topics of our Group Materiality Matrix (such as votes on climate change, the pandemic, digital transformation, human capital management and diversity and inclusion) are most significant for us and our stakeholders.

### Geographic distribution of our votes

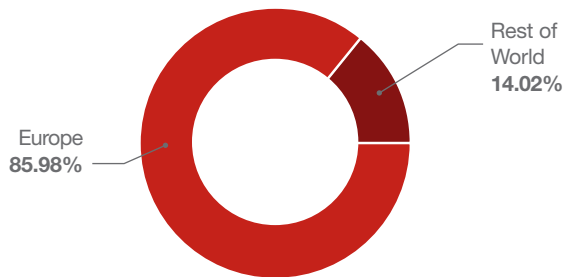
In the course of 2021, we have voted at 1,073 meetings. Most of the meetings relate to investments in listed equity (987), but we also exercised our voting rights in private companies (69) and at bondholder meetings (17).

Table 1: BREAKDOWN OF MEETINGS BY FINANCIAL INSTRUMENT

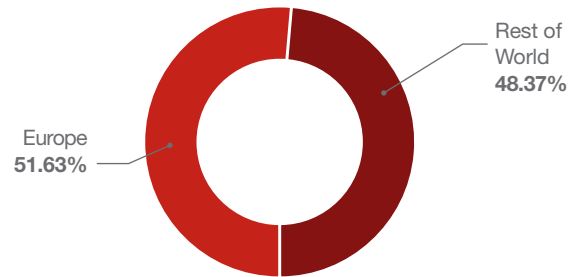


As an insurance group, our investments are typically backing insurance provisions to meet our obligations towards policyholders. Indeed Table 2 below shows how our equity investments are mostly concentrated in Europe, being our main area of business. However - by number of meetings - our voting activity is equally distributed among Europe and rest of the world (Table 3). Table 4 provides a breakdown of our voting activity per Country.

**Table 2: GENERALI GROUP EQUITY INVESTMENTS AS OF 31.12.2020\***

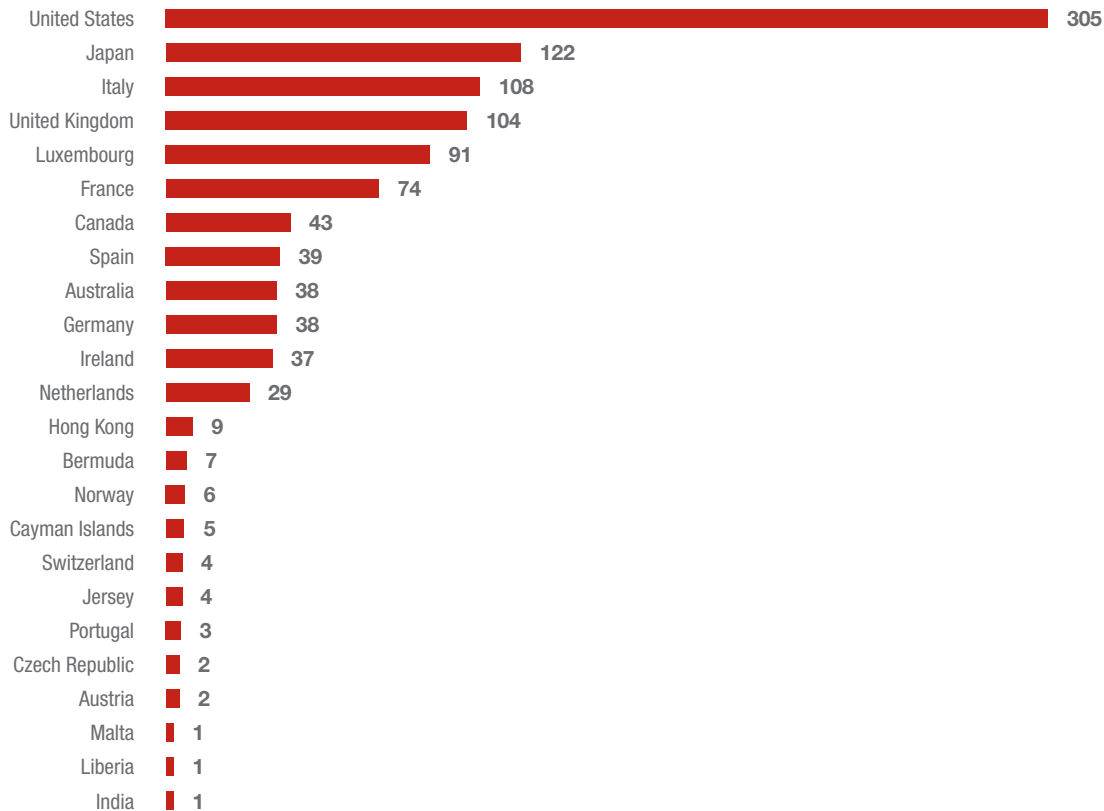


**Table 3: DISTRIBUTION OF MEETINGS BY GEOGRAPHIC AREA**



\*Source: Generali Group Annual Integrated Report and Consolidated Financial Statements (2020), p. 222.

**Table 4: BREAKDOWN OF MEETINGS BY COUNTRY**



## Our voting behavior

The Active Ownership Group Guideline describes our voting principles. Voting principles are derived from internationally recognized best practices and include topics such as: shareholder rights, corporate bodies, remuneration policies, financial statements, disclosure of information and transparency, share transactions, environmental and social aspects, special provisions for listed companies with reduced market capitalization and unlisted companies, related party transactions, systemic and market risks relating to pandemic situations.

The voting process of each local insurance company is steered and coordinated at Group level, providing support with voting recommendations, execution (when directly delegated) and reporting.

In general, our approach to voting is to exercise our voting rights whenever reasonably possible, without discriminations based on the subject of the vote or the size of the holdings, but with possible exclusion of meetings in which the exercise of voting rights is administratively, operationally or economically burdensome.

Table 5 below provides a breakdown by topic of all 12,977 resolutions we voted in 2021. Typically, board related matters, audit/financials and compensation represent the most voted issues, being the core of the system of governance of companies. Although resolutions on environmental and social matters are quantitatively less significant (1.29% of total resolutions), they are of growing importance for the generality of stakeholders of companies and represent the majority of our most significant votes (as we will see in the dedicated section).

**Table 5: BREAKDOWN OF RESOLUTIONS BY TOPIC**

<b>Categories</b>	<b>%</b>
<b>Board Related</b>	56.25%
<b>Audit/Financials</b>	13.17%
<b>Compensation</b>	12.48%
<b>Capital Management</b>	7.95%
<b>Changes to Company Statutes</b>	4.10%
<b>Meeting Administration &amp; Other</b>	2.42%
<b>Governance shareholder proposals</b>	1.80%
<b>Social shareholder proposals</b>	0.74%
<b>Merger &amp; Acquisition</b>	0.54%
<b>Environmental shareholder proposals</b>	0.40%
<b>Environmental management proposals</b>	0.15%
<b>Social management proposals*</b>	0.00%

\*During 2021 we did not encounter management proposals on social topics.

Voting decisions of Generali Group are taken on the basis of voting principles foreseen by the Active Ownership Group Guideline, taking into account:

- preliminary analysis issued by our asset managers;
- documents made public by the issuer;
- research provided by the proxy advisors;
- information made available by proxy solicitors;
- our dialogue with internal and external stakeholders.

Investment functions are involved in voting decisions whenever opportune. For example, the most common area of interchange with investment functions is on votes in respect to capital management, merger & acquisition, proxy fights, amendment to debt conditions (in case of corporate bonds investments).

Current and potential conflicts of interest are mapped and managed in compliance with the applicable regulation, the Generali Group Code of Conduct and the Conflicts of Interest Group Guideline.

## Our use of proxy advisors

With regard to the use of the services of proxy advisors, we avail ourselves mainly of the electronic platform and of the voting research provided by our main proxy advisor Glass Lewis. We may on occasions use other proxy advisors. Although we do not rely on voting recommendations of proxy advisors in taking our voting decisions, we acknowledge an overall level of correlation of 87.66% among our votes and recommendations issued by Glass Lewis.

As shown in Table 6 below, the level of correlation with proxy advisor recommendations varies according to the subject area. In respect to four categories (Audit/Financials, Changes to Company Statutes, Capital Management and Merger & Acquisition) we note a high level of correlation on average (98.35%), that is also consistent with our average level of correlation versus management recommendations on the same topics (95.16%), basically showing a natural alignment of voting policies and internationally recognized best practices on these topics.

The correlation with our proxy advisor drops to an average of 83.12% on a second group of more divisive topics (compensation, board related), with the lowest rate being 80.22% on Compensation.

Finally, we record a correlation of 68.42% on environmental resolutions proposed by management (we did not encounter social resolutions proposed by management during 2021) and 51.08% on environmental, social and governance resolutions proposed by shareholders.

**Table 6: CORRELATION BY TOPIC BETWEEN GENERALI GROUP VOTES AND GLASS LEWIS RECOMMENDATIONS**

<b>Categories</b>	<b>Correlation with Glass Lewis recommendations</b>
<b>Audit/Financials</b>	99.71%
<b>Capital Management</b>	98.65%
<b>Changes to Company Statutes</b>	98.22%
<b>Merger &amp; Acquisition</b>	96.83%
<b>Meeting Administration &amp; Other</b>	88.77%
<b>Board related</b>	86.03%
<b>Compensation</b>	80.22%
<b>Environmental management proposals</b>	68.42%
<b>ESG shareholder proposals</b>	51.08%
<b>Social management proposals*</b>	N.A.

\*During 2021 we did not encounter management proposals on social topics.

In Table 7, representing the level of correlation per Country, we see as our votes at U.S. meetings are the most numerous (28.16%, right column) and have one of the lowest rates of convergency (79.08%, left column).

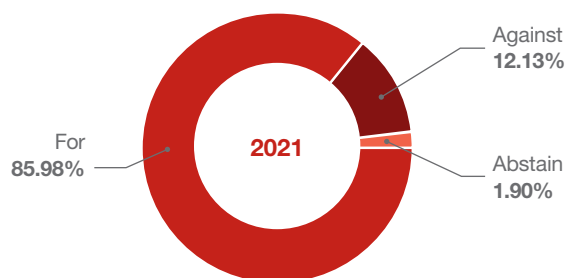
**Table 7: CORRELATION BY COUNTRY BETWEEN GENERALI GROUP VOTES AND GLASS LEWIS RECOMMENDATIONS**

Categories	Correlation with Glass Lewis recommendations	Weight on total Glass Lewis correlations
United States	79.08%	28.16%
United Kingdom	93.34%	16.83%
Japan	94.55%	12.13%
France	91.46%	10.95%
Spain	96.63%	5.65%
Canada	86.06%	4.15%
Luxembourg	90.71%	3.77%
Germany	97.17%	3.69%
Ireland	92.71%	3.31%
Italy	82.43%	3.28%
Netherlands	84.11%	2.75%
Australia	82.63%	1.58%
Hong Kong	92.55%	0.78%
Norway	86.81%	0.71%
Jersey	90.70%	0.70%
Bermuda	85.51%	0.53%
Switzerland	77.78%	0.38%
Cayman Islands	92.11%	0.31%
Portugal	95.00%	0.17%
Liberia	75.00%	0.11%
Austria	87.50%	0.06%
Czech Republic	50.00%	0.02%

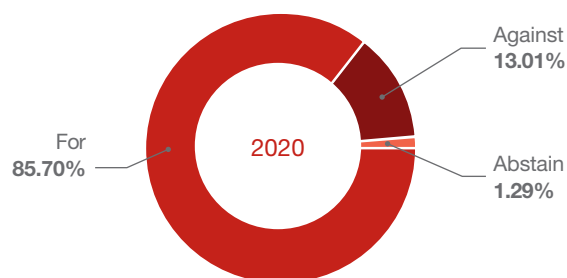
## Our dissent votes and our approach to management recommendations

During 2021 we voted against in 12% of total resolutions, expressing our dissent (including abstain) to at least one agenda item in 57.50% of the meetings. The graph at Table 8 below shows the distribution of “for”, “against” and “abstain” votes on 12,977 resolutions we voted, showing a substantial consistency with our 2020 figures (on 14,585 resolutions voted in 2020) in Table 9.

**Table 8: DISTRIBUTION OF VOTES (FOR / AGAINST / ABSTAIN) CAST IN 2021**



**Table 9: DISTRIBUTION OF VOTES (FOR / AGAINST / ABSTAIN) CAST IN 2020**



Customarily, management of the company expresses its opinion (recommendation) on how shareholders should vote on individual agenda items. We record 63.74% meetings where we cast at least one vote in opposition to management recommendations.

Overall, we agreed with the vote recommended by the management in 83.19% of the resolutions. However, convergence between management recommendations and our votes varies substantially according to subject area and Country of vote.

In respect to subject area (Table 10), the most divisive topics between our votes and management recommendations are, in order from the most divergent, in the matter of resolutions (on environment, social and governance topics) proposed by shareholders (11.89%), Compensation (72.92%) and on environmental resolutions proposed by management (78.95%). The low level of correlation on shareholder proposals is of no surprise, as (with few exceptions), it is common that management expresses a negative outlook on proposals submitted by shareholders.

With regard to the breakdown by Countries (Table 11), when analyzing the level of correlation per Country we note that the votes aligned with management are most numerous in United States are the most numerous (27.83%, right column), although votes per Country show the lowest degrees of correlation (74.18%, left column).

Generally, we deem the differences of ratios among categories / Countries in the tables below to be affected by a combination of the following formal and substantial factors: i) local diffusion of certain voting topics (e.g. ESG shareholder proposals in U.S.A.); ii) different local practices in the presentation of agenda items (e.g. individual votes on remuneration in France, election of Directors by slates in Italy); i) cultural factors leading to different local best practices (e.g. anglosphere vs mainland Europe Countries).

**Table 10: CORRELATION BY TOPIC BETWEEN GENERALI GROUP VOTES AND MANAGEMENT RECOMMENDATIONS**

<b>Categories</b>	<b>Correlation with management recommendations</b>
<b>Merger &amp; Acquisition</b>	98.41%
<b>Changes to Company Statutes</b>	95.85%
<b>Capital Management</b>	94.20%
<b>Audit/Financials</b>	92.19%
<b>Meeting Administration &amp; Other</b>	85.26%
<b>Board related</b>	84.40%
<b>Environmental management proposals</b>	78.95%
<b>Compensation</b>	72.92%
<b>ESG shareholder proposals</b>	11.89%
<b>Social management proposals*</b>	N.A.

\*During 2021 we did not encounter management proposals on social topics.

Table 11: CORRELATION BY COUNTRY BETWEEN GENERALI GROUP VOTES AND MANAGEMENT RECOMMENDATIONS

Country	Correlation with management recommendations	Weight on total management correlations
United States	74.17%	27.83%
United Kingdom	93.09%	17.68%
Japan	92.31%	12.48%
France	78.80%	9.94%
Spain	94.48%	5.82%
Canada	83.27%	4.23%
Luxembourg	85.53%	3.74%
Germany	86.79%	3.48%
Ireland	92.21%	3.47%
Italy	77.93%	3.27%
Netherlands	78.36%	2.70%
Australia	82.16%	1.65%
Jersey	93.02%	0.76%
Norway	86.81%	0.75%
Hong Kong	70.21%	0.62%
Bermuda	73.91%	0.48%
Switzerland	79.63%	0.41%
Cayman Islands	86.84%	0.31%
Portugal	90.00%	0.17%
Liberia	75.00%	0.11%
Austria	100.00%	0.08%
Czech Republic	100.00%	0.04%

## Most significant votes pursuant to Group Materiality Matrix

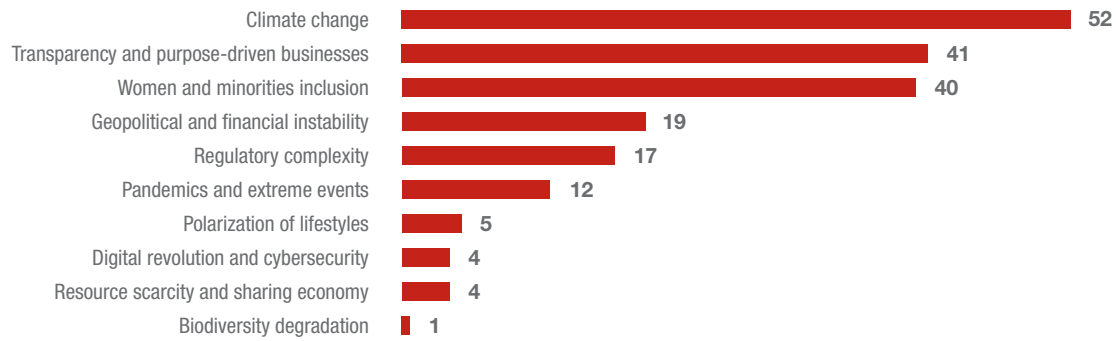
We deem votes on topics that fall within the megatrends of our Materiality Matrix to be the most significant for Generali Group. During 2021, we voted on 195 resolutions falling within the megatrends of our Materiality Matrix, at shareholder meetings of 113 investee companies.

The Matrix, lastly updated in November 2020, identifies macro trends that can have a significant economic, social and environmental impact not only on the Group's activities, but also that are perceived relevant by stakeholders, and therefore are addressed through strategic initiatives across Generali Business Units and functions (for more information on our materiality matrix, [see here](#)).

As shown in Table 12 below, the 195 resolutions we voted on have reached 10 (out of 17) megatrends of our Materiality Matrix.



Table 12: MOST SIGNIFICANT VOTES PURSUANT TO GROUP MATERIALITY MATRIX



As per Table 13, a large majority (146 out of 195) of resolutions falling within the megatrends of the Materiality Matrix are proposed by shareholders particularly on environmental and social matters, whereas the remaining 49 votes are proposed by management.

Table 13: MOST SIGNIFICANT VOTES BREAKDOWN BY TOPIC AREA

Significant votes pursuant to Group Materiality Matrix	No.
Social shareholder proposals	58
Environment shareholder proposals	48
Governance shareholder proposals	40
Environment management proposals	22
Board related management proposals	10
Compensation management proposals	10
Capital Management management proposals	5
Merger & Acquisition management proposals	2
<b>TOTAL</b>	<b>195</b>

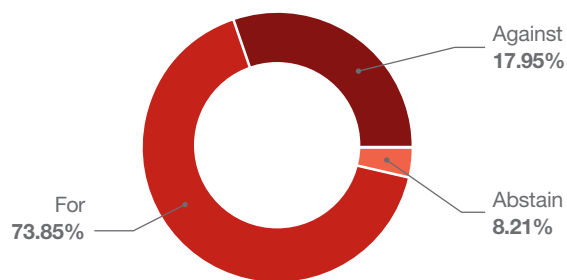
Table 14 breaks down our most significant votes by Country: U.S.A. is the primary provenience of such votes, followed (at distance) by two anglosphere Countries (Canada and United Kingdom).

Table 14: MOST SIGNIFICANT VOTES BREAKDOWN BY COUNTRY

Country	No.
United States	124
Canada	16
United Kingdom	14
Norway	10
Spain	8
Australia	5
Italy	5
Japan	3
France	3
Netherlands	2
Germany	2
Portugal	1
Ireland	1
Jersey	1
<b>TOTAL</b>	<b>195</b>

Overall, we supported 73.85% (144) of the resolutions. We opposed to 17.95% (35) and abstained in 8.21% (16) of the cases (Table 15). Our convergency to management recommendations is 25.13% and convergency of our votes with recommendations of our proxy advisor Glass Lewis is 52.31%.

Table 15: MOST SIGNIFICANT VOTES DISTRIBUTION OF VOTES FOR / AGAINST / ABSTAIN



## Deep dive on our most significant votes

Below we disclose our votes per each topic of the Group Materiality Matrix, specifying the Generali entities that have cast such votes and the positive results that such votes have generated, counting a “positive result” each time Generali Group votes have contributed to the passing of a shareholder resolution or to the blocking (not passing

of) a management proposal. We deem the votes reported herein to be “most significant” of 2021 for Generali Group, pursuant to art. 3 para. 1(b) of SRD II directive. In respect to Generali entities not expressly mentioned herein, no “most significant” votes within the meaning of the present report have been recorded during year 2021.



Matrix Megatrend description	Link with SDGs	No. of votes (For/Ag/Ab)	Positive results
Climate change	 	52 (48/2/2)	<b>8 Passed shareholder proposals</b> (3 on climate reporting; 2 on adoption of greenhouse gas reduction targets; 3 on climate lobbying)
Pandemics and extreme events	 	12 (11/0/1)	-
Geopolitical and financial instability		19 (11/5/3)	-
Digital revolution and cybersecurity		4 (4/0/0)	-
Transparency and purpose-driven businesses		41 (13/19/9)	<b>9 not passed management proposals on past year remuneration practices</b> (advisory votes); <b>3 elected qualified board directors proposed by shareholders</b>
Resource scarcity and sharing economy		4 (4/0/0)	-
Polarization of lifestyles		5 (4/1/0)	-
Women and minorities inclusion	 	40 (31/8/1)	<b>4 Passed shareholder requests</b> for diversity and inclusion reports
Regulatory complexity		17 (17/0/0)	<b>1 Passed shareholder proposal</b> for company to report on impact of employment arbitration clauses impeding employee access to courts
Biodiversity degradation		1 (1/0/0)	-
<b>TOTAL</b>		<b>195</b>	<b>25</b>

In the next pages, we give a detailed explanation of the most significant votes, per each megatrend of the Materiality Matrix.

The following Legend provides instructions on how to read the tables on most significant votes:

- Company: investee company;
- Meeting date: date a company holds its shareholder meeting;
- Resolution description: description of voted agenda item;
- \*Proponent (SHA / MAN): resolution submitted by management (MAN) or by shareholders (SHA);
- \*\*Man.Rec. / GL.Rec.: voting recommendation issued by management or by proxy advisor Glass Lewis;
- \*\*\*Outcome: Voted resolution approved (passed) or not approved (not passed) by majority of shareholders;
- \*\*\*\*Voting entity: abbreviated name of Generali Group entities that have voted the relevant resolution (for full name, see List of voting entity abbreviations).

## Climate change

Matrix Megatrend description	Link with SDGs	No. of votes (For/Ag/Ab)	Positive results
Megatrend material to the Group's strategy and considering stakeholders' expectations. Global warming due to the emissions rise coming from human activities is intensifying extreme natural events. Policies and efforts required to limit global warming below 1.5 °C will lead to radical changes in the production and energy systems, transforming especially carbon-intensive activities and encouraging clean technologies. In this context, some changes will be inevitable, therefore strategies to adapt and reduce vulnerability to the changing climate are necessary.	 	52 (48/2/2)	<b>8 Passed shareholder proposals</b> (3 on climate reporting; 2 on adoption of greenhouse gas reduction targets; 3 on climate lobbying)

## Say-on-climate and climate-related reports

We have seen a variety of resolutions, equally proposed by management and shareholders, requesting a binding or an advisory vote on company's climate transition plan and/or either establishing a policy that would create a framework for the adoption of a recurring annual vote on climate disclosure and strategy.

Generally, resolutions proposed by management passed with broad support by shareholders, although the high consensus may not be a reflection of the parallel dialogue efforts that some investors have put in challenging companies' climate strategies and targets. Indeed, we note that almost all the proposals reached a near unanimous consensus, except some opposition to climate resolutions of Glencore, S&P and Shell, that have reached a shareholder consensus of 86.76% on average.

We supported the climate transition plans submitted for approval by company management, but in four cases. In Total, Shell and Canadian National Railway meetings, we dissented on the basis that the proposed climate strategies appeared not very ambitious; in the case of Severn Trent, we abstained from giving our support, due to lack of information at the time of voting.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Aena S.M.E. S.A.	27/04/21	Advisory Vote on Climate Action Plan (2021-2030)	MAN	For	Against	For	Passed	GenEspPF
Aviva Plc	06/05/21	Approval of the Company's Climate-related Financial Disclosure	MAN	For	For	For	Passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTelLif;
Canadian National Railway Co.	27/04/21	Advisory Vote on Climate Action Plan	MAN	For	Against	Against	Passed	AllAssPF
Ferrovial S.A.	08/04/21	Adoption of an Annual Vote on the Company's Climate Strategy Report	MAN	For	Against	For	Passed	EurAssIt; GenEspPF; GenVie
Ferrovial S.A.	08/04/21	Green House Gas Emissions Reduction Plan	MAN	For	Abstain	For	Passed	EurAssIt; GenEspPF; GenVie
Friulia spa	03/12/21	To add reference in bylaws to decarbonization targets	MAN	For	N/A	For	Passed	GenIta
Glencore plc	29/04/21	Advisory Vote on Climate Action Transition Plan	MAN	For	For	For	Passed	GenIta
HSBC Holdings plc	28/05/21	Approval of Climate Policy	MAN	For	For	For	Passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Iberdrola S.A.	18/06/21	Advisory Vote on Climate Action Policy	MAN	For	For	For	Passed	AssGen; AllAss; AllAssPF; GFACar; DifAutSin; EurAssIt; EurAssFr; Lequ; GenEsp; GenEspPF; Genlar; GenIta; GenItaPF; Gtel; GTelLif; GenVie
Iberdrola S.A.	18/06/21	Amendments to Articles (Climate Action Plan)	MAN	For	For	For	Passed	AssGen; AllAss; AllAssPF; GFACar; DifAutSin; EurAssIt; EurAssFr; Lequ; GenEsp; GenEspPF; Genlar; GenIta; GenItaPF; Gtel; GTelLif; GenVie
Investec plc	05/08/21	Approve Disclosure of Emission Reporting	MAN	For	For	For	Passed	AllAssPF
Moody's Corp.	20/04/21	Shareholder Approval of Decarbonization Plan	MAN	For	Abstain	For	Passed	AllAss; AllAssPF; GenIta; GTelLif
National Grid Plc	26/07/21	Approval of the Company's Net Zero Commitment and Associated Climate Targets	MAN	For	Abstain	For	Passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Royal Dutch Shell Plc	18/05/21	Approval of the Energy Transition Strategy	MAN	For	For	Abstain	Passed	AssGen; AllAss; GenIta; GTelLif
S&P Global Inc	05/05/21	Shareholder Approval of Emissions Reduction Plan	MAN	For	Abstain	For	Passed	AllAss; AllAssPF; GenIta; GTelLif
Severn Trent plc	08/07/21	Advisory Vote on Climate Change Action Plan	MAN	For	Abstain	Abstain	Passed	AssGen
SSE Plc.	22/07/21	Approval of Net Zero Business Plan and Adoption of Annual Vote on Net Zero Transition Report	MAN	For	For	For	Passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Total SE	28/05/21	Shareholder Approval of Decarbonisation Ambition	MAN	For	For	Against	Passed	AssGen; AllAss; AllAssPF; DifAutSin; EurAssIt; EurAssFr; Lequ; GenEsp; GenEspPF; Genlar; GenIta; GenItaPF; Gtel; GTelLif; GenVie
Unilever plc	05/05/21	Advisory Vote on Climate Transition Action Plan	MAN	For	For	For	Passed	AssGen; AllAss; AllAssPF; EurAssIt; EurAssFr; GenIta; GenItaPF; GTelLif; GenVie
Vinci	08/04/21	Advisory Vote on Environmental Transition Plan	MAN	For	For	For	Passed	AssGen; AllAss; AllAssPF; DifAutSin; EurAssIt; EurAssFr; GenEsp; GenEspP; GenIta; GenItaPF; Gtel; GTelLif; GenVie

As per the below table, we voted in favor of all shareholder proposals to report on climate action plan and/or to establish a regular vote on company climate strategy. We supported three shareholder proposals that reached majority of votes.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Bank of Montreal	07/04/21	Report on Carbon Neutral GHG Footprint	SHA	Against	Against	For	Not passed	AllAssPF
Berkshire Hathaway Inc.	01/05/21	Climate Report	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Booking Holdings Inc	03/06/21	Climate Transition Report	SHA	Against	For	For	Passed 56.4%	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Booking Holdings Inc	03/06/21	Annual Advisory Vote on Climate Policies and Strategies	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Canadian Pacific Railway Ltd	21/04/21	Annual Shareholder Vote on Climate Action Plan	SHA	For	Against	For	Passed 85%	AllAssPF
Caterpillar Inc.	09/06/21	Report on Net Zero Benchmark	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Charter Communications Inc.	27/04/21	Annual Shareholder Vote on Emissions Reduction Plan	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Chevron Corp.	26/05/21	Scope 3 GHG Emissions Reduction	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Chevron Corp.	26/05/21	Audited Report on Net Zero Emissions by 2050 Scenario Analysis	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Equinor ASA	11/05/21	Climate and Nature Risk Report	SHA	Against	Against	For	Not passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Exxon Mobil Corp.	26/05/21	Report on Climate-related Activities	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Exxon Mobil Corp.	26/05/21	Audited Report on Net Zero Emissions 2050 Scenario Analysis	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
General Electric Co.	04/05/21	Climate Action 100+ Net Zero Indicator	SHA	For	For	For	Passed 98%	AllAss; AllAssPF; GenIta; GTellLif
Mitsubishi UFJ FG, Inc.	29/06/21	Aligning Business Strategy to the Paris Agreement	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF
Monster Beverage Corp	15/06/21	Bylaw Amendment for Annual Proxy Vote and Report on Climate Change	SHA	Against	Against	For	Not passed	GenItaPF
T. Rowe Price Assoc Inc.	11/05/21	Climate Change Proxy Voting Practices	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GTellLif
Union Pacific Corp.	13/05/21	Annual Shareholder Vote on Emissions Reduction Plan	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
United Parcel Service, Inc.	13/05/21	Report on Plans to Reduce Total Contribution to Climate Change	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Woodside Petroleum	15/04/21	Disclosure of Paris-aligned Capital Expenditure and Operations	SHA	Against	For	For	Not passed	AllAssPF; GenItaPF

## Setting net-zero greenhouse gas emissions reduction targets

Given our commitment to transition our investment portfolios to net-zero greenhouse gas emissions by 2050 within the United Nations-convened Net-Zero Asset Owner Alliance, generally, we supported shareholder requests that companies report their greenhouse gas emissions and adopt a reduction goal for these emissions. Two shareholder resolutions passed, also with the contribution of Generali votes.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Autozone Inc.	15/12/21	Report on GHG Targets and Alignment with Paris Agreement	SHA	Against	For	For	Not passed	AllAss
BP plc	12/05/21	GHG Reduction Targets	SHA	Against	Against	For	Not passed	AssGen; AllAss; AllAssPF; DifAutSin; EurAssIt; Lequ; GenEsp; Genlar; GenIta; GenItaPF; Gtel; GTellLif; GenVie
Conoco Phillips	11/05/21	Greenhouse Gas Reduction Targets	SHA	Against	Against	For	Passed 99.3%	GenItaPF
Equinor ASA	11/05/21	GHG Reduction Targets	SHA	Against	Against	For	Not passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Phillips 66	12/05/21	Greenhouse Gas Reduction Targets	SHA	Against	For	For	Passed 80.3%	AllAss; AllAssPF; GenIta; GTellLif
Royal Bank Of Canada	08/04/21	Greenhouse Gas Reduction Targets	SHA	Against	Against	For	Not passed	AllAssPF
Royal Dutch Shell Plc	18/05/21	GHG Reduction Targets	SHA	Against	Against	For	Not passed	AssGen; AllAss; GenIta; GTellLif
Sysco Corp.	19/11/21	Report on GHG Targets and Alignment with Paris Agreement	SHA	Abstain	For	For	Not passed	GenItaPF



## Climate-related lobbying

In line with concerns by investors (e.g. see publication [Converging on Climate Lobbying](#), issued by PRI in 2018), we are in favor of resolutions aiming at requesting companies to enhance company disclosure on alignment between lobbying expenditures (including those of trade associations and political spending) and stated values, when there are reasons for concern on specific topics (such as climate).

We have supported shareholder resolutions requesting companies to provide additional disclosure concerning how they are ensuring that corporate funds are being spent in ways that further their objectives with respect to climate policy; three of them passed with majority of the votes.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
BHP Group Plc	14/10/21	Lobbying Activity Alignment with the Paris Agreement	SHA	For	For	For	Not passed	GTellLif
Exxon Mobil Corp.	26/05/21	Lobbying Activity Alignment with the Paris Agreement	SHA	Against	For	For	Passed 63.8%	AllAss; AllAssPF; Genita; GenitaPF; GTellLif
Norfolk Southern Corp.	13/05/21	Lobbying Activity Alignment with the Paris Agreement	SHA	Against	For	For	Passed 76.4%	AllAss; AllAssPF; Genita; GenitaPF; GTellLif
Phillips 66	12/05/21	Lobbying Activity Alignment with the Paris Agreement	SHA	Against	For	For	Passed 62.5%	AllAss; AllAssPF; Genita; GTellLif
Sempra Energy	14/05/21	Lobbying Activity Alignment with the Paris Agreement	SHA	Against	For	For	Not passed	AllAss; AllAssPF; Genita; GenitaPF; GTellLif

## Pandemics and extreme events

Matrix Megatrend description	Link with SDGs	No. of votes (For/Ag/Ab)	Positive results
Megatrend material to the Group's strategy and considering stakeholders' expectations. Population concentration and deficiencies in its protection are increasing the risks associated with extreme events, such as earthquakes and tsunamis, pandemics and health emergencies as well as other man-made catastrophes such as technological, radiation incidents and terrorism. A strengthening of the system to prevent, prepare for and respond to these events is required in order to increase resilience of affected territories and communities.	 	12 (11/0/1)	-

## Changes in governance

In the course of 2021, we have seen a continuation of some “pandemic-driven” trends in governance that appeared during 2020, such as enabling hybrid or all-virtual AGMs and simplifying the means of vote (e.g. remotely or by written consent). We will continue to support such resolutions to the extent that, among other requisites, guarantee active participation of shareholders and full exercise of shareholder rights.

Apart from such minor adjustments and modernizations, we are of the opinion that traditional governance structures have proven adequate to allow the boards to define company priorities and respond to the pandemic; for this reason, in the meeting of Walmart, we did not see the reason to support a shareholder proposal to create additional specialized corporate structures to face the threats and opportunities of the pandemic.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Walmart Inc	02/06/21	Creation of a Pandemic Workforce Advisory Council	SHA	Against	Against	Against	Not passed	AllAss; AllAssPF; Genita; GenitaPF; GTellLif

## Capital management and merger & acquisition

With regard to capital management and merger & acquisition operations, the current pandemic seemed to have had limited impact. During 2021, among 965 resolutions on capital management, we found reference to Covid-19 pandemic only in three cases, and in all such cases we gave our support to resolutions proposed by management. With respect to merger and acquisitions, in 57 voted resolutions, we only found (and supported) one case, (merger of Fiat Chrysler Automobiles NV and Peugeot S.A.) in which the parties had to renegotiate certain terms also due to complications caused by Covid-19.

The above data is consistent with year 2020, where among 1220 voted resolution on capital management, we found 12 resolutions affected by Covid-19 and no reference of Covid-19 among 68 votes on merger & acquisition transactions.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Fiat Chrysler Automobiles NV	04/01/21	Peugeot Transaction	MAN	For	For	For	Passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Flutter Entertainment Plc	29/04/21	Capitalisation of the Merger Reserve	MAN	For	For	For	Passed	AssGen; GenEspPF
Peugeot S.A.	04/01/21	Fiat Transaction	MAN	For	For	For	Passed	AllAss; AllAssPF; EurAssIt; EurAssFr; GenIta; GenItaPF; GTellLif; GenVie
Pirelli & C. S.p.A.	24/03/21	Authority to Issue Shares w/o Preemptive Rights	MAN	For	For	For	Passed	GenIta
Unicredit Spa	15/04/21	Authority to Repurchase Shares	MAN	For	For	For	Passed	GenIta
Unicredit Spa	15/04/21	Cancellation of Shares	MAN	For	For	For	Passed	GenIta
Unicredit Spa	15/04/21	Elimination of negative reserves	MAN	For	For	For	Passed	GenIta


## Change in business operations

In some cases, the pandemic has brought some structural impacts on company businesses that have consequences on the public at large and required shareholders monitoring. With respect to pharmaceutical sector, we have supported resolutions by shareholders aiming at clarifying the possible correlation of public funding of research and development for Covid-19 vaccines, with their pricing, marketing and distribution.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Johnson & Johnson	22/04/21	Report on Access to COVID-19 Products	SHA	Against	Against	For	Not passed	GenItaPF
Loblaw Cos. Ltd.	06/05/21	Capital and Risk Management Practices During COVID-19	SHA	Against	Against	For	Not passed	GenItaPF
Merck & Co Inc	25/05/21	Report on Access to COVID-19 Products	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Pfizer Inc.	22/04/21	Report on Access to COVID-19 Products	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif



## Geopolitical and financial instability

Matrix Megatrend description	Link with SDGs	No. of votes (For/Ag/Ab)	Positive results
Megatrend of high relevance to the Group's strategy and considering stakeholders' expectations. The weakening of multilateralism and of the traditional global governance mechanism are leading to increased tension between Countries and to the resurgence of trade protectionism and populism. Associated with the changing geopolitical balance - with complex cause and effect relationships - is the worsening of macroeconomic conditions and a scenario of a continuing lowering of interest rates. The weakening of the initiative of traditional political institutions is compensated by the emergence of coalitions and global coordination mechanisms promoted by private sector and civilian society.		19 (11/5/3)	

## Controversies and controversial business sectors

As a signatory of the United Nations Global Compact in 2007 and of the UNEP FI Principles for Sustainable Insurance (PSI Initiative) in 2014 the Group, through its [Responsible Underwriting Group Guideline](#) (lastly updated in November 2020), ensures the adoption of a responsible conduct with the final aim of avoids / minimizes the insurance exposure to sensitive business (controversies and controversial business sectors) and therefore to potential reputational risks.

According to the Guideline, represent sensitive businesses the involvement in controversies (e.g. production of weapons that violate fundamental humanitarian principles through their normal use, human rights violations, severe environmental damages, gross corruption) and/or in controversial business sectors (e.g. upstream oil and gas, thermal coal, tobacco manufacturing).

Moreover, for companies operating in the fossil fuel sector (i.e. upstream oil & gas and thermal coal), according to the Group's Strategy on Climate Change, the Group is committed to not underwriting any of these new activities and phase out its current exposure.

As the commitment taken by the Responsible Underwriting Group Guideline extend to the effort to work together with companies / clients and business partners to raise awareness on the careful management of their environmental, social and governance (ESG) factors and manage the related risks and develop solutions, in our monitoring role as active shareholder we supported several shareholder resolutions asking companies to increase disclosure on coal, oil and gas activities, regarding fossil fuel exposure, human rights violations, nuclear weapons financing, tobacco prevention and marketing practices.

In the meeting of Altria Group, we abstained in supporting a shareholder resolution requesting disclosure on prevention of underage tobacco use as the company was already publicly providing such information.

In the meeting of Equinor we have not supported a series of shareholder resolutions asking investors to exercise judgment regarding company's business operations, as this is prerogative of the directors. However, we supported a resolution on renewable energy as we found it in principle consistent with our decarbonization targets.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Au. & NZ. Banking Group Ltd.	16/12/21	Fossil Fuel Exposure	SHA	Against	Against	For	Not passed	AllAssPF; GenItaPF; GTelLif
BHP Group Plc	14/10/21	Disclosure Concerning Coal, Oil and Gas Assets	SHA	Against	Against	For	Not passed	GTelLif
Commonwealth Bank of Australia	13/10/21	Report on Fossil Fuel Exposure	SHA	Against	Against	For	Not passed	AllAssPF; GenItaPF
Equinor ASA	11/05/21	Barents Sea Exploration	SHA	Against	Against	Against	Not passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Equinor ASA	11/05/21	Cessation of All Exploration Activity	SHA	Against	Against	Against	Not passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Equinor ASA	11/05/21	Discontinuing Oil and Gas Exploration and Multiplying Green Investments	SHA	Against	Against	Abstain	Not passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Equinor ASA	11/05/21	Divestment from Overseas Business	SHA	Against	Against	Against	Not passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Equinor ASA	11/05/21	Move from Fossil Fuels to Renewable Energy	SHA	Against	Against	For	Not passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Equinor ASA	11/05/21	Nuclear Energy	SHA	Against	Against	Against	Not passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Equinor ASA	11/05/21	Overseas Losses	SHA	Against	Against	Against	Not passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Equinor ASA	11/05/21	Renewable Energy Business Spin-Off	SHA	Against	Against	Abstain	Not passed	AssGen; AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
National Australia Bank Ltd.	17/12/21	Fossil Fuel Exposure	SHA	Against	Against	For	Not passed	AllAssPF; GenItaPF; GTelLif
Alphabet Inc	02/06/21	Report on Government Takedown Requests	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Amazon.com Inc.	26/05/21	Report on Customer Due Diligence	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Northrop Grumman Corp.	19/05/21	Report on Human Rights Impact Assessments	SHA	Against	Against	For	Not passed	GenIta
PNC Financial Services Group	27/04/21	Report on Risks Associated with Nuclear Weapons Financing	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GTelLif
Thomson-Reuters Corp	09/06/21	Human Rights Risk Report	SHA	Against	For	For	Not passed	GenItaPF
Altria Group Inc.	20/05/21	Report on Underage Tobacco Prevention and Marketing Practices	SHA	Against	Against	Abstain	Not passed	AllAss; AllAssPF; GenIta; GTelLif
Walgreens Boots Alliance Inc	28/01/21	Health Risks of Tobacco Sales During COVID-19	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif

## Digital revolution and cybersecurity

### Matrix Megatrend description

Megatrend of high relevance to the Group's strategy and considering stakeholders' expectations. Technological innovations introduced by the 4th industrial revolution such as big data, artificial intelligence, Internet of Things, automation and block chain are transforming the real economy and social habits spreading high customized and accessible services. The digital transformation requires new know-how and skills, resulting in a radical change of traditional jobs and in new market players. The growth in complexity, interdependence and speed of innovation of new digital technologies pose challenges associated with the security of IT systems and infrastructures.

### Link with SDGs



### No. of votes (For/Ag/Ab)

6 (6/0/0)

### Positive results

-

## False and divisive Information

Social media platforms and the complexity of the digital landscape exposes citizens of all ages both to inadvertent sharing of false information (misinformation), as well as deliberate creation and sharing of information known to be false (disinformation). The rapid spread of misinformation and disinformation online has emerged as a pressing public issue of the 21st century that affects all those accessing online networks, as well as those offline. Without taking a position on current debate whether social media platforms are not doing enough or are doing too much, at the annual meeting of Meta (formerly Facebook) we supported the shareholder requests for more transparency and coordination.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Facebook Inc	26/05/21	Report on Reducing False and Divisive Information	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif

## Online child exploitation

Sexual exploitation is a growing risk to children that is being exacerbated by online services and mobile technologies. While the full scale of online child sexual abuse and exploitation remains unknown, existing evidence suggests considerable cause for concern, according to statistics provided by the United Nations Office on Drugs and Crime (UNODC). Furthermore, the pandemic may also have amplified the threat, as both children and sex offenders found themselves confined in-doors and online for extended periods of time. At annual meeting of Meta (formerly Facebook), we supported a shareholder request to assess whether the company's oversight, policies and practices are adequate.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Facebook Inc	26/05/21	Report on Online Child Exploitation	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif

## Human rights impacts of facial recognition technology

Facial recognition is a type of application which uses statistical analysis and algorithmic predictions to automatically measure and identify people's faces in order to make an assessment or decision. Although its use is controversial, as it poses risks to rights to privacy, freedom, democracy and non-discrimination, nevertheless private companies and governments worldwide are already experimenting with facial recognition technology. . On 6 October 2021, the European Parliament voted in favor of a resolution banning the use of facial recognition technology by law enforcement in public spaces. At Amazon annual meeting we supported a resolution asking how the company is mitigating the risks of violations of human and civil rights, as well as the financial and operational risks associated with these rights. At the shareholder meeting of Microsoft, although we acknowledged the company's robust disclosure and policies, including its commitment to prohibit the sale of this technology to U.S. police departments pending federal regulation, as an invitation to exercise due care on the matter, we found appropriate to support the shareholders resolution asking to consider avoiding the sale of facial recognition technology to government entities.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Amazon.com Inc.	26/05/21	the Human Rights Impacts of Facial Recognition Technology	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Microsoft Corporation	30/11/21	Prohibition of Facial Recognition Technology Sales to Government Entities	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif

## Transparency and purpose-driven businesses

Matrix Megatrend description	Link with SDGs	No. of votes (For/Ag/Ab)	Positive results
Megatrend of high relevance to the Group's strategy and considering stakeholders' expectations. Key stakeholders of companies - such as investors, consumers and employees, especially in Europe and with particular reference to the Millennial - are more attentive and demanding on the purpose and the sustainability practices of companies. In this context, the regulatory requirements in terms of reporting and transparency are increasing. A company must demonstrate its ability to create value for all of its stakeholders, going beyond the shareholders. The growing number of benefit companies, cooperatives and social enterprises stands as proof of this trend.		41 (13/19/9)	<b>9 not passed management proposals on past year remuneration practices</b> (advisory votes); <b>3 elected qualified board directors proposed by shareholders</b>

## Corporate purpose

During 2021, we have not supported shareholder resolutions to transform the form of some companies from “regular” to “benefit corporations”, the latter being a kind of for-profit corporate entity that includes positive impact on society. On average, such shareholder resolutions received a shareholder support below 3%.

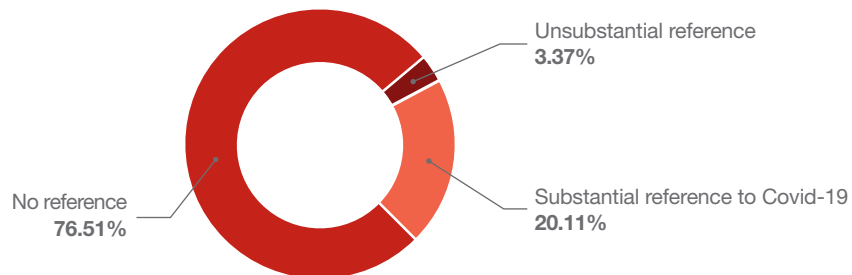
Our view is that companies of any stripe should seek to promote responsible, sustainable corporate decision-making. In this regard, in August 2019, Generali CEO among other 181 CEOs of primary listed companies, signed the Statement on the Purpose of a Corporation issued by the Business Roundtable's association (“BRT”), duly amended to reflect an enhanced focus on all stakeholder interests of a company, rather than focusing only on profit. We are supportive of positive examples as the Spanish Commercial Code, requiring that all large companies submit to an annual advisory vote an auditor-verified report on non-financial issues.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
3M Co.	11/05/21	Becoming a Public Benefit Corporation	SHA	Against	Against	Abstain	Not passed	GenItaPF
Alphabet Inc	02/06/21	Becoming a Public Benefit Corporation	SHA	Against	Against	Against	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Bank Of America Corp.	20/04/21	Becoming a Public Benefit Corporation	SHA	Against	Against	Against	Not passed	AllAss; AllAssPF; GenIta; GTellLif
Blackrock Inc.	26/05/21	Becoming a Public Benefit Corporation	SHA	Against	Against	Abstain	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Caterpillar Inc.	09/06/21	Becoming a Public Benefit Corporation	SHA	Against	Against	Against	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Chevron Corp.	26/05/21	Becoming a Public Benefit Corporation	SHA	Against	Against	Abstain	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Citigroup Inc	27/04/21	Becoming a Public Benefit Corporation	SHA	Against	Against	Abstain	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Facebook Inc	26/05/21	Becoming a Public Benefit Corporation	SHA	Against	Against	Abstain	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Goldman Sachs Group, Inc.	29/04/21	Becoming a Public Benefit Corporation	SHA	Against	Against	Against	Not passed	AllAss; AllAssPF; GenIta ;GenItaPF; GTellLif
Royal Bank Of Canada	08/04/21	Statement of Purpose	SHA	Against	Against	Against	Not passed	AllAssPF
S&P Global Inc	05/05/21	Becoming a Public Benefit Corporation	SHA	Against	Against	Against	Not passed	AllAss; AllAssPF; GenIta; GTellLif
Salesforce.Com Inc	10/06/21	Becoming a Public Benefit Corporation	SHA	Against	Against	Against	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
United Parcel Service, Inc.	13/05/21	Becoming a Public Benefit Corporation	SHA	Against	Against	Against	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Wells Fargo & Co.	27/04/21	Becoming a Public Benefit Corporation	SHA	Against	Against	Against	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif

## Compensation

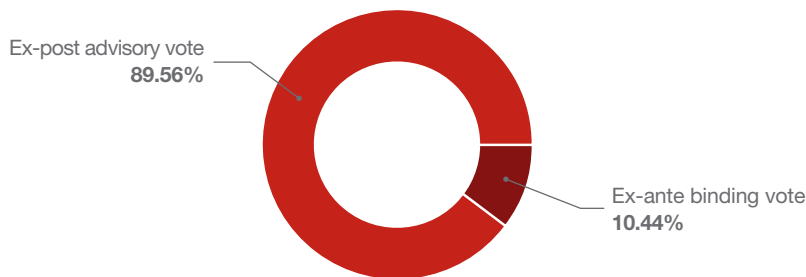
During 2021, among 1,571 resolutions on compensation of executive directors, we found a significant majority of them making no (76.51%) or unsubstantial (3.37%) reference to the exceptional circumstances caused by the pandemic. However, during 2021 we also encountered 316 (20.11%) management resolutions requesting shareholders to approve or to ratify remuneration practices adjusted due to Covid-19 (Table 16).

**Table 16: BREAKDOWN OF COMPENSATION RESOLUTIONS REFERRING TO COVID-19**

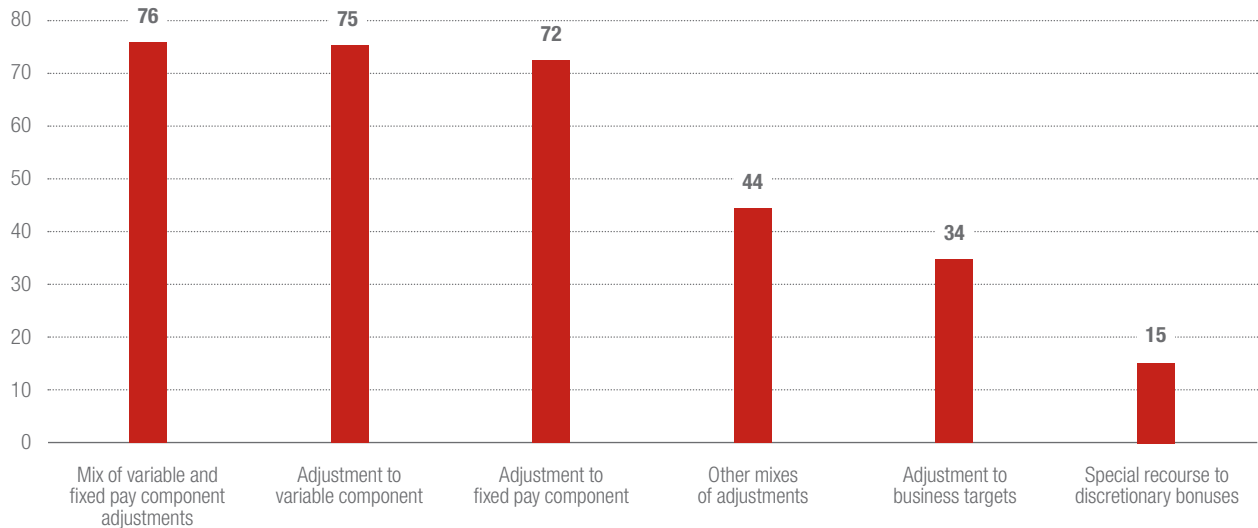


As shown in Table 17 below, in respect to remuneration of executives that have been affected by the pandemic, vast majority of management proposals 89.56% (283) has been seeking shareholders advisory (ex-post) vote on remuneration practices occurred in 2020, meanwhile 10.44% (33) asked an ex-ante vote to approve newly issued remuneration policies.

**Table 17: BREAKDOWN BY TYPE (ADVISORY EX-POST / BINDING EX-ANTE) OF COVID-19 COMPENSATION RESOLUTIONS**



We have grouped pandemic-related adjustments to compensation of executive directors in six categories: i) adjustments to variable component (e.g. changes in metrics, bonus paid in deferred shares in lieu of cash); ii) review of fixed pay component; iii) combination of adjustments to variable and fixed components; iv) redefinition of business targets; v) special recourse to discretionary bonuses; vi) other combinations (Table 18).

**Table 18: COVID-19 RELATED COMPENSATION RESOLUTIONS BREAKDOWN BY PROPOSED TYPE OF AMENDMENT**

With regard to Generali voting behavior, our voting principles look with disfavor at manipulations and/or subsequent changes on remuneration practices without shareholders' consent, inviting in any case to apply a case-by-case approach in case of extraordinary events (such as the pandemic).

Overall, for 2021, our dissent rate in respect to resolution on compensation of executives was 25.08%, with the following breakdown (Table 19):

**Table 19: DISSENT RATE OF COMPENSATION RESOLUTIONS BY TYPE (ADVISORY EX-POST / BINDING EX-ANTE)**

Type of proposal	Covid justified	Weight on total	Dissent rate
<b>Binding</b>	no	5.41%	10.59%
<b>Advisory</b>	no	11.01%	38.27%
<b>Binding</b>	yes	0.76%	36.36%
<b>Advisory</b>	yes	7.89%	43.82%
<b>TOTAL</b>		<b>25.08%</b>	

For the purpose of identifying the most significant voting outcomes to illustrate herein, we decided to focus on the Generali votes that during 2021 have contributed to the blocking (not passing) of remuneration proposals submitted by management.

All nine (not passed) compensation resolutions we report herein relate to ex-post (advisory) votes on 2020 remuneration practices of executive directors. The main reasons for dissent have been: 1) disconnection between pay and performance (Amadeus, Biogen, IBM, RioCan, Starbucks, Walgreens); and 2) exercise of discretionary and/or poorly justified adjustments (Akzo, General Electric, Prologis).

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Akzo Nobel N.V.	22/04/21	Remuneration Report (Advisory)	MAN	For	For	Against	Not passed 49.7%	AssGen; AllAss; AllAssPF; DifAutSin; EurAssIt; EurAssFr; GenEsp; GenIta; GenItaPF; Gtel; GTellLif; GenVie
Amadeus IT Group S.A.	16/06/21	Remuneration Report (Advisory)	MAN	For	Against	Against	Not passed 38.2%	GenEspPF; GenVie
Biogen Inc	02/06/21	Advisory Vote on Executive Compensation	MAN	For	For	Against	Not passed 49.4%	AllAss; AllAssPF; GenIta
General Electric Co.	04/05/21	Advisory Vote on Executive Compensation	MAN	For	Against	Against	Not passed 42%	AllAss; AllAssPF; GenIta; GTellLif
IBM Corp.	27/04/21	Advisory Vote on Executive Compensation	MAN	For	Against	Against	Not passed 47.9%	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
Prologis	29/04/21	Advisory Vote on Executive Compensation	MAN	For	Against	Against	Not passed 49.9%	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
RioCan RE Investment Trust	26/05/21	Advisory Vote on Executive Compensation	MAN	For	Against	Against	Not passed 42%	GenItaPF
Starbucks Corp.	17/03/21	Advisory Vote on Executive Compensation	MAN	For	Against	Against	Not passed 47%	AllAss; AllAssPF; GenIta; GTellLif
Walgreens Boots Alliance Inc	28/01/21	Advisory Vote on Executive Compensation	MAN	For	Against	Against	Not passed 47.2%	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif

## Directors' accountability

Besides our voting principles on board and committee features (i.e. composition, independence, diversity, skill, time constraints, separation of roles, duration), we recognize accountability of directors on a case-by case basis basing our analysis on material verified information. Following this approach, in line with past year, in 2021 we did not ratify Daimler's management and advisory board acts due to indication by proxy advisor of company's continued exposure to legal, regulatory and reputational risks.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Daimler AG	31/03/21	Ratification of Management Board Acts	MAN	For	Abstain	Abstain	Passed	AssGen; AllAss; AllAssPF; DifAutSin; EurAssFr; GenEsp; GenEspPF; GenIta; GenItaPF; Gtel; GTellLif; GenVie
Daimler AG	31/03/21	Ratification of Supervisory Board Acts	MAN	For	Abstain	Abstain	Passed	AssGen; AllAss; AllAssPF; DifAutSin; EurAssFr; GenEsp; GenEspPF; GenIta; GenItaPF; Gtel; GTellLif; GenVie

## Election of qualified directors

According to our voting principles, skills of board candidates should be adequate to cover the peculiarities of the business of the relevant company, taking into account the possible opinion released by the board of directors and/or the nomination committee and the evidence (if available) from the board self-assessment. We positively evaluate the inclusion in boards of at least one member with ESG, ethics or sustainability experience.

In respect to three companies (Alphabet, Meta, Twitter) with high level of controversies on human rights violation many of which have resulted in regulatory threats and legal action as well as other board independence concerns, we supported shareholder resolutions requesting to appoint independent director candidates with recognized high level of human and/or civil rights expertise.

However, in the case of American Tower, we have not supported the shareholder proposal to create a standing committee to oversee human right matters, as the Company had already appointed a chief sustainability officer to the job.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Alphabet Inc	02/06/21	Human Rights/Civil Rights Expertise on Board	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
American Tower Corp.	26/05/21	Formation of a Human Rights Risk Oversight Committee	SHA	Against	Against	Abstain	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Facebook Inc	26/05/21	Human Rights/Civil Rights Expertise on Board	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Twitter Inc	24/06/21	Human Rights/Civil Rights Expertise on Board	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif

With regard to climate, we note that shareholder activism is forcing companies to improve their strategies and to raise board accountability as well. In the 2021 annual meeting of Exxon, the company was challenged mainly by an activist and pension funds, to ease the company into a low-carbon future and to appoint new directors to its board, with professional background on climate transition strategies. The campaign has been supported also by our vote and resulted in three of the dissident's four proposed directors being appointed to the board. In the meeting of EDP-Energias we supported the management proposal to elect five qualified candidates as environment and sustainability board members.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Aena S.M.E. S.A.	27/04/21	Amendments to Articles (Sustainability and Climate Action Committee)	MAN	For	For	For	Passed	GenEspPF
EDP-Energias DE Portugal S.A.	14/04/21	Election of Environment and Sustainability Board	MAN	For	Abstain	Abstain	Passed	AssGen; AllAss; AllAssPF; DifAutSin; EurAssFr; Lequ; GenEsp; Genlar; GenIta; GenItaPF; Gtel; GTelLif; GenVie
Exxon Mobil Corp.	26/05/21	Elect Alexander A. Karsner (Dissident Nominee)	SHA	Do not vote	For	For	Passed 73.1%	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Exxon Mobil Corp.	26/05/21	Elect Anders Runevad (Dissident Nominee)	SHA	Do not vote	Withhold	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Exxon Mobil Corp.	26/05/21	Elect Gregory J. Goff (Dissident Nominee)	SHA	Do not vote	For	For	Passed 85.6%	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Exxon Mobil Corp.	26/05/21	Elect Kaisa Hietala (Dissident Nominee)	SHA	Do not vote	Withhold	For	Passed 90.7%	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif

## Linking executive pay to sustainability practices

We positively evaluate remuneration policies which include into the remuneration structure non-financial performance criteria, including targets related to effective management of material sustainability factors and risks.

During 2021 we supported several shareholder proposals aimed at linking executive pay to diversity and inclusion, climate targets and ESG metrics.

In Banco Santander meeting, we supported the attribution of digital transformation awards to executive managers, as together with "Innovation", "Digital Transformation" has been one of the three pillars of change driving the Generali 2021 strategy (also confirmed in the newly issued 2022-2024 strategy). In Canadian National Railway we did not support a shareholder resolution regarding safety metrics of employees, as company had already adopted and published such metrics.



Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Banco Santander S.A.	25/03/21	Digital Transformation Award	MAN	For	For	For	Passed	AssGen; AllAss; AllAssPF; DifAutSin; EurAssIt; EurAssFr; GenEsp; GenEspPF; GenIta; GenItaPF; GTel; GTelLif; GenVie
Alphabet Inc	02/06/21	Linking Executive Pay to Sustainability and Diversity	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Canadian National Railway Co.	27/04/21	Safety-centered Bonus System	SHA	Against	Against	Against	Not passed	AllAssPF
General Motors Company	14/06/21	Net Zero Company Benchmark Executive Remuneration Indicator	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF
HCA Healthcare Inc	28/04/21	Impact of Quality Metrics on Executive Compensation	SHA	Against	Against	For	Not passed	AllAss; GenIta; GTelLif
Republic Services, Inc.	21/05/21	Report on Linking Executive Compensation to ESG Metrics	SHA	Against	Against	For	Not passed	GenItaPF

## Resource scarcity and sharing economy

### Matrix Megatrend description

### Link with SDGs

### No. of votes (For/Ag/Ab)

### Positive results

Megatrend of high relevance to the Group's strategy and considering stakeholders' expectations. The increase of population and the excessive exploitation of natural resources make the transition to circular and responsible consumption models necessary as they reduce the resources use and the waste production. Technological innovation and the spread of more sustainable lifestyles encourage the adoption of new consumption and production patterns based on reuse and sharing.



4 (4/0/0)

## Shift to circular economy

Circular business models are rethinking systems and processes, to reduce waste and greenhouse gas emissions. Transition to a circular economy reduces pressure on natural resources, creates sustainable growth and jobs and it is a prerequisite to achieve climate neutrality target and to halt biodiversity loss. In 2021 we faced some shareholder resolutions requesting company to take steps to report on the loans it granted in the last few years in support of the circular economy. Although the companies already provided significant disclosures concerning their environmental policies, priorities, and considerations, nevertheless we voted favorably to these resolutions to give our contribution in raising awareness and support to this growing new economy.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Bank Of Nova Scotia	13/04/21	Reporting Circular Economy Loans	SHA	Against	Against	For	Not passed	AllAssPF; GenItaPF
Canadian Imperial Bank	08/04/21	Reporting Circular Economy Loans	SHA	Against	Against	For	Not passed	AllAssPF
Royal Bank Of Canada	08/04/21	Reporting Circular Economy Loans	SHA	Against	Against	For	Not passed	AllAssPF
Toronto Dominion Bank	01/04/21	Reporting Circular Economy Loans	SHA	Against	Against	For	Not passed	AllAssPF

## Polarization of lifestyles

Matrix Megatrend description	Link with SDGs	No. of votes (For/Ag/Ab)	Positive results
Megatrend of high relevance to the Group's strategy and considering stakeholders' expectations. The enhanced awareness of connection between health, living habits and the environmental is favoring the spread of healthier lifestyles, based on prevention and proactive promotion of well-being. Examples of this are the growing attention to healthy eating and to physical activity. However, amongst the more vulnerable social brackets, unhealthy lifestyles and behaviors at risk are continuing, if not actually increasing, with the spread of different forms of addiction (drugs, alcohol, tobacco, compulsive gambling, Internet and smartphone addiction), mental discomfort, sleep disorders, incorrect eating habits and sedentariness, with high human and social costs related to healthcare expenditure, loss of production and early mortality.		5 (4/1/0)	-

## Promotion of healthy eating and antibiotic-free supply chain

According to World Health Organization and UNICEF, nutritional problems of the younger sections of the population at the crucial age of growth, both in developed and developing countries, are one of the most serious public health challenges of the 21st century, affecting low- and middle-income countries, particularly in urban settings, at a rapidly growing rate.

Coherently with the trends among consumers and regulators (and in line with the philosophy of some of our latest insurance products that allow discount on their insurance premium if customers adopt a healthy lifestyle), we supported resolutions on sugary food and beverage and its impact on health. However, at the general meeting of McDonald, we did not support a shareholder resolution on antibiotic-free supply chain, as we found the company already being responsive to the issue.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Coca-Cola Co	20/04/21	Report on Sugar and Public Health	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
McDonald's Corp	20/05/21	Report on Sugar and Public Health	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
McDonald's Corp	20/05/21	Use of Antibiotics and Study on Effects on Market	SHA	Against	Against	Against	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
PepsiCo Inc	05/05/21	Report on External Public Health Costs	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif
PepsiCo Inc	05/05/21	Report on Sugar and Public Health	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTellLif

## Women and minorities inclusion

Matrix Megatrend description	Link with SDGs	No. of votes (For/Ag/Ab)	Positive results
Megatrend of high relevance to the Group's strategy and considering stakeholders' expectations. The growing demands for greater inclusion and empowerment of the diversities related to gender, ethnic group, age, religious belief, sexual orientation and disability conditions in the various areas of social life, from the workplace to that of political representation and public communication. Women empowerment and the reduction of the gender pay and employment gaps has taken on particular emphasis. However, in the face of these trends an increase in forms of intolerance, social exclusion and violence is noted, particularly against women, ethnic and religious minorities, immigrants and LGBTI+ people and those with mental-physical disabilities, especially in the lower income and lower education social brackets.	 	40 (31/8/1)	<b>4 Passed shareholder requests</b> for diversity and inclusion reports

## Diversity reporting

In 2021 we supported shareholder resolutions at annual meetings of some U.S. companies, related to employee diversity and requesting that the targeted companies provide more information concerning their workforce demographics. Four out of ten shareholder resolutions we supported have reached the majority of votes.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
American Express Co.	04/05/21	Diversity and Inclusion Report	SHA	Against	For	For	Passed 59.7%	AllAss; AllAssPF; GenIta; GTelLif
Berkshire Hathaway Inc.	01/05/21	Diversity and Inclusion Reports	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Caterpillar Inc.	09/06/21	Diversity and Inclusion Report	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Charter Communications Inc.	27/04/21	Diversity and Inclusion Report	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Charter Communications Inc.	27/04/21	EEO-1 Reporting	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
IBM Corp.	27/04/21	Diversity and Inclusion Report	SHA	For	For	For	Passed 94.3%	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Nike, Inc.	06/10/21	Diversity and Inclusion Report	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Union Pacific Corp.	13/05/21	Diversity and Inclusion Report	SHA	Against	For	For	Passed 81.4%	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Union Pacific Corp.	13/05/21	EEO-1 Reporting	SHA	Against	For	For	Passed 86.4%	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
United Parcel Service, Inc.	13/05/21	Diversity and Inclusion Report	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif

Another series of shareholder resolutions focused on requesting audits to assess how companies were handling their impacts on ethnic minority communities. Although these proposals received a relatively strong support by shareholders (one-third of the votes, on average), unfortunately none of them reached the majority. However, expectations are high for the issue to reach a larger consensus in the coming years. [See here](#) the commitment of Generali Group on diversity and inclusion.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Amazon.com Inc.	26/05/21	Racial Equity Audit	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Bank Of America Corp.	20/04/21	Racial Equity Audit	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GTelLif
Citigroup Inc	27/04/21	Racial Equity Audit	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Goldman Sachs Group, Inc.	29/04/21	Racial Equity Audit	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Johnson & Johnson	22/04/21	Racial Impact Audit	SHA	Against	For	For	Not passed	GenItaPF
JPMorgan Chase & Co.	18/05/21	Racial Equity Audit	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Oracle Corp.	10/11/21	Racial Equity Audit	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
State Street Corp.	19/05/21	Racial Equity Audit	SHA	Against	For	For	Not passed	GenItaPF
Wells Fargo & Co.	27/04/21	Racial Equity Audit	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif

## Diversity pay gap

Ensuring an engaged, diverse, and productive workforce is especially critical for companies whose operations rely significantly on human capital and companies must ensure that they are meaningfully addressing issues of diversity and inclusion in their communities and workforces.

For this reason, we have supported several shareholder proposals focused on reviewing employee salary and supporting ethnic pay equity. [See here](#) information on Generali employee salary policy.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Abbott Laboratories	23/04/21	Company Plan to Promote Racial Justice	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Amazon.com Inc.	26/05/21	Median Gender and Racial Pay Equity Report	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Amazon.com Inc.	26/05/21	Report on Promotion Data	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Biogen Inc	02/06/21	Median Gender and Racial Pay Equity Report	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta
Cigna Corp.	28/04/21	Median Gender and Racial Pay Equity Report	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Intel Corp.	13/05/21	Median Gender and Racial Pay Equity Report	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Microsoft Corporation	30/11/21	Implementation of the Fair Chance Business Pledge	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Microsoft Corporation	30/11/21	Median Gender and Racial Pay Equity Report	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Nike, Inc.	06/10/21	Median Gender and Racial Pay Equity Report	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Walmart Inc	02/06/21	Report on Alignment of Racial Justice Goals with Starting Pay	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif

## Board diversity (gender)

On gender diversity, we have faced some cases in which we have voted against the chair of the nomination committee, both because there were critical governance issues (mainly: board independence and over-boarding), but also taking into account the indication of the proxy advisor signaling poor gender diversity practices.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Johnson Controls Int. plc	10/03/21	Elect Michael E. Daniels	MAN	For	For	Against	Passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Prologis	29/04/21	Elect Jeffrey L. Skelton	MAN	For	For	Against	Passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
PepsiCo Inc	05/05/21	Elect Daniel L. Vasella	MAN	For	For	Against	Passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Mondelez International Inc.	19/05/21	Elect Charles E. Bunch	MAN	For	For	Against	Passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
IntegraFin Holdings Plc	08/03/21	Elect Michael Howard	MAN	For	Against	Against	Passed	GenIta
Aveva Group plc	07/07/21	Elect Philip Aiken	MAN	For	Against	Against	Passed	AssGen

In Brown & Brown, we found the women to be underrepresented, but we also found the independency rate to be under our expected level. Therefore, having to tackle both the issues of rebalancing board independence level without further compromising gender representation, according to our voting principles, we determined to support only the non-independent directors of less represented gender.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Brown & Brown, Inc.	05/05/21	Elect Chilton D. Varner	MAN	For	For	For	Passed	AllAss; AllAssPF; GenIta; GTelLif
Brown & Brown, Inc.	05/05/21	Elect Toni Jennings	MAN	For	For	For	Passed	AllAss; AllAssPF; GenIta; GTelLif

In three cases, we did not support shareholder resolutions on board gender diversity. In the meetings of Royal Bank of Canada and Bank of Nova Scotia, we declined supporting a shareholder resolution proposing adoption of a target higher than 40% for the composition of its board of directors, as both the boards of the banks were already achieving such result.

In the meeting of Toronto Dominion Bank we have not supported a similar shareholder proposal, due to the vagueness of the actual text of resolution and in any case the board composition was already bordering on 40% gender diversity rate.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Bank Of Nova Scotia	13/04/21	Board Diversity Target	SHA	Against	Against	Abstain	Not passed	AllAssPF; GenItaPF
Royal Bank Of Canada	08/04/21	Board Diversity Target	SHA	Against	Against	Against	Not passed	AllAssPF
Toronto Dominion Bank	01/04/21	Board Composition	SHA	Against	Against	Against	Not passed	AllAssPF

## Regulatory complexity

Matrix Megatrend description	Link with SDGs	No. of votes (For/Ag/Ab)	Positive results
Megatrend of high relevance to the Group's strategy and considering stakeholders' expectations. The production of laws and regulatory mechanisms especially for the financial sector, in order to regulate its complexity and to share the fight against illegal economic activities with the sector's participants is increasing the costs for guaranteeing regulatory compliance and greater integration and simplification of governance systems.		17 (17/0/0)	<b>1 Passed shareholder proposal</b> for company to report on impact of employment arbitration clauses impeding employee access to courts

## Reporting of concerns

Generali Group is strongly committed to maintaining a work environment free of harassment - including sexual and non-sexual - intimidation, discrimination and retaliation for engaging in protected activities (such as reporting violations or participating in an investigation pertaining to alleged violations of the law, our Code of Conduct or other internal regulation).

In coherency with our corporate values, we supported shareholder proposals aimed at reviewing and/or implementing corporate whistleblowing, anti-racism and anti-sexual harassment policies. [See here](#) for more information on Generali principles for responsible business.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Alphabet Inc	02/06/21	Third-Party Review and Report on Whistleblower Policies	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Comcast Corp	02/06/21	Independent Investigation and Report on Sexual Harassment	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Fedex Corp	27/09/21	Report on Racism in Company Culture	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Intel Corp.	13/05/21	Report on Racism in Company Culture	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Microsoft Corporation	30/11/21	Report on Effectiveness of Workplace Sexual Harassment Policies	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Mitsubishi UFJ FG, Inc.	29/06/21	Establishing a Helpline for Whistle-Blowing	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF
PayPal Holdings Inc	26/05/21	Report on Racism in Company Culture	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif

## Business and supply chain risks


Stakeholders of a company should assess the potential exposure to regulatory, legal and reputational risks associated with company's business practices and the corporate social responsibility across its supply chain.

We supported shareholder resolutions seeking more disclosure and remedial actions on controversial factors of investee company practices and of their value chain, such as asking to take measures to prevent infiltration of organized crime groups, asking disclosure on environmental (animal welfare, refrigerant emissions) and social impact of business operations (human rights, child labor, abuse of prison labor, protection of cultural heritage).

On human capital management, at past annual general meeting of Goldman Sachs Group, Inc we supported a shareholder resolution requesting company to prepare a report on the use of employment contractual provisions limiting the employees' rights on employment-related claims; the shareholder resolution was supported by majority of votes (53.2%).

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Alphabet Inc	02/06/21	Anticompetitive Practices	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Amazon.com Inc.	26/05/21	Anticompetitive Practices	SHA	Against	For	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Exelon Corp.	27/04/21	Child Labor Linked to Electric Vehicles	SHA	Against	Against	For	Not passed	GenIta; GenItaPF; GTelLif
Fortescue Metals Group Ltd	09/11/21	Cultural Heritage Protection	SHA	Against	Against	For	Not passed	GenItaPF
Goldman Sachs Group, Inc.	29/04/21	Report on The Impact of Mandatory Arbitration Policies	SHA	Against	For	For	Passed 53.2%	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Home Depot, Inc.	20/05/21	Prison Labor	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
Mitsubishi UFJ FG, Inc.	29/06/21	Prohibiting Relationships with Anti-Social Forces	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF
Nike, Inc.	06/10/21	Human Rights Impact Assessment	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif
TJX Companies, Inc.	08/06/21	Report on Animal Welfare	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GTelLif
Walmart Inc	02/06/21	Refrigerants Report	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif

## Biodiversity degradation

Matrix Megatrend description	Link with SDGs	No. of votes (For/Ag/Ab)	Positive results
<p>Megatrend of high relevance to the Group's strategy and considering stakeholders' expectations. The rapid extinction of animal and plant species, with a impoverishment of biological diversity and the gene pool, is associated with land conversion, the increasing pollution levels and climate change. The progressive collapse of the natural ecosystems represents a growing risk also for human health as it impairs the food chain, reduces resistance to pathogens and threatens the development of communities and economic sectors strongly dependent on biodiversity. In this context, activism of civil society, regulatory pressure and authorities supervision are growing, which broaden the responsibility of companies not only as regards their own operations, but also regarding their supply chain.</p>		1 (1/0/0)	-

## Plastic packaging


We believe that it is important that companies not only take actions to ensure that they are mitigating their contribution to plastic pollution to the best extent possible, but more extensively that they incorporate sustainability in their strategies and business model. This may require approaching the issue not only from a qualitative point of view, but also quantitatively. For this reason, we have supported a shareholder resolution asking Amazon to include quantitative disclosure when reporting on its efforts to limit environmental impacts of its plastic packaging.

Company	Meeting date	Resolution Description	Proponent*	Man. Rec.**	GL. Rec.**	Vote	Outcome***	Voting entity****
Amazon.com Inc.	26/05/21	Report on Plastic Packaging	SHA	Against	Against	For	Not passed	AllAss; AllAssPF; GenIta; GenItaPF; GTelLif

# Institutional activities within our networks and affiliations

This page lists our most significant outreach activities in 2021, in collaboration with our networks and having external visibility, to influence standard setters, policy makers and other stakeholders.

## Climate change

Matrix Megatrend description	Link with SDGs	No. of initiatives
<p>Megatrend material to the Group's strategy and considering stakeholders' expectations. Global warming due to the emissions rise coming from human activities is intensifying extreme natural events. Policies and efforts required to limit global warming below 1.5 °C will lead to radical changes in the production and energy systems, transforming especially carbon-intensive activities and encouraging clean technologies. In this context, some changes will be inevitable, therefore strategies to adapt and reduce vulnerability to the changing climate are necessary.</p>		5



In the context of the ILN initiative on Climate, in November 2021 we supported the publication [Climate Change Physical Risk Toolkit](#), a tool to help asset owners and managers better understand and manage the potential physical impacts of climate change on their investments. The publication follows the tool books of 2020: [Climate Change Mitigation and your portfolio: Practical Tools for Investors](#) and of 2019: [TCFD Implementation, Practical Insights and Perspectives from Behind the Scenes for Institutional Investors](#).



Guest speaking @ Insurance Asset Risk Webinar "Rules of engagement for Net-Zero" 20.10.2021. Assuming that net-zero is not achieved through carbon capture technology but by a change in operational models, investor engagement with companies will be critical in the next 30 years to 2050. The webinar looked at how insurers can build effective engagement strategies.



Generali signatory of PRI Statement of Support for EU Corporate Sustainability Reporting Directive 24.09.2021. In September 2021 the Principles for Responsible Investment (PRI) Generali Group together with other 53 undersigned signatories (representing approximately 9.2 trillion USD in AUM) have signed a joint statement to welcome the European Commission's proposal for a new Corporate Sustainability Reporting Directive (CSRD) revising the Non-Financial Reporting Directive (NFRD), and its aim to elevate sustainability information to the same level as financial information.



Generali signatory of the 2021 Global Investor Statement to Governments on the Climate Crisis 09.09.2021. As the world prepared to gather for the 26th United Nations Climate Change Conference of the Parties (COP26), 587 investor signatories with over USD \$46 trillion in assets signed a joint letter to encourage all countries to significantly strengthen their Nationally Determined Contributions (NDCs) for 2030 and to ensure a planned transition to net-zero emissions by 2050 or sooner.



## THE NET-ZERO ASSET OWNER ALLIANCE

After supporting the drafting and being a signatory of the [Net-Zero Asset Owner Alliance Position Paper on Thermal Coal](#), published in November 2020, Generali has contributed to the writing of the “Inaugural 2025 Target Setting Protocol”, released in January 2021. The Protocol explicitly sets out how individual members will set short-term targets, to be achieved in the next five years. Alliance members have used IPCC 1.5 °C no- and low-overshoot pathways to inform their targets under the Alliance 2025 Protocol. By laying out four different categories of targets — sub-portfolio, sector-level, engagement and financing transition — the Protocol carefully balances scientific ambition, active ownership engagement, and divestment constraints.

## Women and minorities inclusion

### Matrix Megatrend description

Megatrend of high relevance to the Group's strategy and considering stakeholders' expectations. The growing demands for greater inclusion and empowerment of the diversities related to gender, ethnic group, age, religious belief, sexual orientation and disability conditions in the various areas of social life, from the workplace to that of political representation and public communication. Women empowerment and the reduction of the gender pay and employment gaps has taken on particular emphasis. However, in the face of these trends an increase in forms of intolerance, social exclusion and violence is noted, particularly against women, ethnic and religious minorities, immigrants and LGBTI+ people and those with mental-physical disabilities, especially in the lower income and lower education social brackets.

### Link with SDGs



### No. of initiatives

1



### INVESTOR LEADERSHIP NETWORK

Within the “Diversity in Investment” initiative, in June 2021 we contributed to the latest ILN report [Creating a more inclusive economy: Practical insights from global institutional investors](#). The report provides an assessment of institutional investors' best practices, challenges and opportunities in EDI (Equality, Diversity and Inclusion). The report also explores how EDI efforts positively contribute to business performance.

## Transparency and purpose-driven businesses

### Matrix Megatrend description

Megatrend of high relevance to the Group's strategy and considering stakeholders' expectations. Key stakeholders of companies - such as investors, consumers and employees, especially in Europe and with particular reference to the Millennial - are more attentive and demanding on the purpose and the sustainability practices of companies. In this context, the regulatory requirements in terms of reporting and transparency are increasing. A company must demonstrate its ability to create value for all of its stakeholders, going beyond the shareholders. The growing number of benefit companies, cooperatives and social enterprises stands as proof of this trend.

### Link with SDGs



### No. of initiatives

1



### SAPIENZA UNIVERSITÀ DI ROMA

Guest lecturing @ Sapienza Università di Roma Facoltà di Economia, course “Management delle imprese”, 15.11.2021. We are active in cooperating with institutes of higher education, as by promoting our active ownership approach we contribute to add value to society, allowing us at the same time to foresee possible trends and to bring new insights to our activities.

## Appendix

### List of voting entity abbreviations

<b>AllAss</b>	Alleanza Assicurazioni S.p.A.
<b>AllAssPF</b>	Alleanza Assicurazioni S.p.A. – Almeglio – Fondo pensione aperto Alleanza a contribuzione definita
<b>AssGen</b>	Assicurazioni Generali S.p.A.
<b>DifAutSin</b>	D.A.S. Difesa Automobilistica Sinistri - S.p.A. Di Assicurazione
<b>EurAssFr</b>	Europ Assistance S.A.
<b>EurAssIt</b>	Europ Assistance Italia S.p.A.
<b>GenEsp</b>	Generali Espana S.A. de Seguros y Reaseguros
<b>GenEspPF</b>	Each of the following: Generali Espana - Generali Uno, Fondo de Pensiones Generali Espana - Generali Dos, Fondo de Pensiones Generali Espana - Generali Cuatro, Fondo de Pensiones Generali Espana - Generali Empleo Uno, Fondo de Pensiones Generali Espana - Generali Empleo Tres, Fondo de Pensiones Generali Espana - Generali Previsión, Entidad de Previsión Social Voluntaria
<b>GenIar</b>	Generali Iard S.A.
<b>GenIta</b>	Generali Italia S.p.A.
<b>GenItaPF</b>	Generali Italia S.p.A. – Generali Global - Fondo pensione aperto a contribuzione definita
<b>GenVie</b>	Generali Vie S.A.
<b>Gtel</b>	Genertel S.p.A.
<b>GTellif</b>	Genertellife S.p.A.
<b>GFACar</b>	GFA Caraibes
<b>Lequ</b>	L'Equite SA Cie d'Assurances et Reass. Contre les risques de toute nature

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## Glossary

### Active Ownership

The use of the rights and position of ownership to influence the activities or behaviour of investee companies. Active ownership can be applied differently in each asset class. For equity investments, it includes engagement and voting activities.

### Active Ownership Group Guideline

The guideline, lastly updated in February 2021, has been drawn up in compliance with Art. 3g of Directive (EU) 2017/828 amending Directive 2007/36/EC in respect to obligations introduced as regards the engagement policy of institutional investors, and duly takes into account best practices from international standards to which the Group adheres.

### Activist investor

Individual or group that buys a significant stake in a public company in order to influence how the company is run.

### Agenda

The proposals presented by an Issuer to be voted on by shareholders.

### Annual Report

Report that is prepared annually to display summary of financial information.

### Asset owner

Who owns investments and bears the related risks.

### Beneficial Owner

True owner of securities that may be issued or registered in the name of another, such as a nominee.

### Carbon footprint

Carbon emissions for a portfolio normalized by the market value of the portfolio, expressed in tons CO<sub>2</sub>e/€ million invested.

### Carbon offsetting

Broadly refers to a reduction in greenhouse gas emissions – or an increase in carbon storage (e.g., through land restoration or the planting of trees) – that is used to compensate for emissions that occur elsewhere.

### Carbon credits

Any tradable certificate or permit representing the right to emit one tonne of carbon dioxide or the equivalent amount of a different greenhouse gas.

### Climate Action 100+

Investor initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. Investors are calling on companies to improve governance on climate change, curb emissions and strengthen climate-related financial disclosures.

### Climate change

ESG factor material to the Group's strategy and considering stakeholders' expectations; it refers to global warming due to the emissions rise of greenhouse gases coming from human activities, which is intensifying extreme natural events such as floods, storms, rise in sea level, drought, wildfire and heat waves, with repercussions on the natural ecosystems, human health and the availability of water resources. The policies and efforts required to limit global warming to below 1.5 °C through the decarbonisation of the economy will lead to radical changes in the production and energy systems, transforming especially carbon-intensive activities, sectors and countries and encouraging the development of clean technologies. As effective as these efforts may be, some changes will be inevitable, therefore making strategies to adapt and to reduce the vulnerability to the changing climate conditions necessary.

### Companies of the coal sector

If identified as issuers of the coal sector:

- companies for which over 20% of revenues derive from coal;
- companies for which over 20% of electricity's production derive from coal;
- companies for which the installed coal electricity generation capacity is greater than 5 GW;
- companies that extract more than 10 million tons of coal per year;
- companies actively involved in building new coal capacity (coal plants) for an output exceeding 0,3 GW.

If identified as customers of the coal sector:

- companies for which over 30% of revenues derive from coal;
- companies for which over 30% of electricity's production derive from coal;
- companies that extract more than 20 million tons of coal per year;
- companies actively involved in building new coal capacity (coal plants) as identified by Urgewald in its Top 120 Coal Plant Developers' list.

### Companies of the tar sand sector

Companies whose revenues are at least 5% derived from tar sands' extraction or operators of controversial pipelines dedicated to tar sands' transportation.

### COP26

The 2021 United Nations Climate Change Conference, more commonly referred to as COP26, was the 26th United Nations Climate Change conference, held at the SEC Centre in Glasgow, Scotland, United Kingdom, from 31 October to 13 November 2021.

### Corporate bondholders meeting (or noteholders meeting)

Meeting among the holders of a corporate bond, convened pursuant to the terms of the debt.

### Digital revolution and cybersecurity

ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the technological innovations introduced by the fourth industrial revolution, including big data, artificial intelligence, the Internet of Things, automation and block chain which are transforming the real economy and the social habits with the spread of services featuring a high level of customization and accessibility. The digital transformation requires new know-how and skills, resulting in a radical change of traditional jobs and in the appearance of new players on the market. The growth in complexity, interdependence and speed of innovation of the new digital technologies are posing challenges associated with the security of IT systems and infrastructures.

### Director

Individuals elected by the shareholders of a corporation who carry out certain tasks established in the charter.

### Diversity and Inclusion Index, D&I Index

It measures the progress of the Group compared to Diversity & Inclusion 2021 ambitions, i.e. objectives set internally on gender, generations, cultures and inclusion through eight indicators: female managers, female talent, talent under the age of 35, new hired employees with average age less than 30 years, *Turn to The New Index*<sup>1</sup>, talents with international experience, organizational entities with smart working policy and organizational entities with local action plans on disability.

### Employees

All the Group direct people at the end of the period, including managers, employees, sales attendant on payroll and auxiliary staff.

### Engagement

Long-term active dialogue between investors and companies on environmental, social and governance factors. The outcome of the engagement efforts is communicated to analysts, portfolio managers and clients, enabling them to incorporate this information into their investment decisions.

<sup>1</sup> The training effort offered to employees by the Group is measured through the Turn to The New Index.

**Equal pay gap**

Difference between females' and males' median base salary for comparable roles, comparing females and males belonging to the same job function and organizational level. It is calculated applying a Group common methodology as a percentage of the difference between females' salary minus males' salary for comparable roles, divided by the males' salary. If the result is positive, the gap shows that the gender female is the most compensated; vice-versa, if the result is negative, the gap shows that the gender male is the most compensated.

**Equity investments**

Direct investments in quoted and unquoted equity instruments, as well as investment funds, including private equity and hedge funds.

**ESG**

Acronym which qualifies aspects related to the environment, social and corporate governance.

**EU Taxonomy**

Classification system, establishing a list of environmentally sustainable economic activities. It could play an important role helping the EU scale up sustainable investment and implement the European green deal. The EU taxonomy would provide companies, investors and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable. In this way, it should create security for investors, protect private investors from greenwashing, help companies to become more climate-friendly, mitigate market fragmentation and help shift investments where they are most needed.

**Gender pay gap**

Difference between females' and males' median base salary across the entire organization regardless of the roles. It is calculated applying a Group common methodology as a percentage of the difference between females' salary minus males' salary, divided by the males' salary. If the result is positive, the gap shows that the gender female is the most compensated; vice-versa, if the result is negative, the gap shows that the gender male is the most compensated.

**Generali Insurance Asset Management S.p.A. Società di gestione del risparmio (GIAM)**

Generali Group asset manager specialized in the asset management of the insurance companies belonging to Assicurazioni Generali and pension funds.

**Geopolitical and financial instability**

ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the weakening of multilateralism and of the traditional global governance mechanism that are leading to increased tension between countries and to the resurgence of trade protectionism and populism. Associated with the changing geopolitical balance - with complex cause and effect relationships - is the worsening of macroeconomic conditions and a scenario of a continuing lowering of interest rates. The weakening of the initiative of the traditional political institutions is compensated by the emergence of coalitions and global coordination mechanisms promoted by the private sector and civilian society.

**Glass Lewis (Glass, Lewis & Co.)**

An American proxy advisory services company. Glass Lewis provides governance services that support engagement among institutional investors and corporations through its research, proxy vote management and technology platforms.

**Green and sustainable investments**

Investments that support green and/or social projects, with the explicit aim of creating a positive impact and contributing to the United Nations Sustainable Development Goals.

**Greenhouse gases, or GHGs**

Compound gases that trap heat or longwave radiation in the atmosphere. Their presence in the atmosphere makes the Earth's surface warmer.

**Increasing inequalities**

ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the growing gap in the distribution of wealth between social groups and - more in general - the polarisation in accessing self-determination opportunities. These trends are accompanied with a decline in social mobility, leading to a protracted permanence in the state of poverty and exclusion, mainly related to the socio-economic conditions of the household of origin.

**Insurance exposure to fossil fuel sector**

It refers to the underwriting of P&C risks related to companies of the coal sector and/or related to oil and gas exploration/extraction if not residual with respect to the main activity of the client.

**Integrated report**

Concise communication that illustrates how the strategy, governance and future prospects of an organization, in the external environment in which it operates, are used to create value in the short, medium and long term.

**International Energy Agency (IEA)**

Paris-based autonomous intergovernmental organisation established in the framework of the Organization for Economic Co-operation and Development in 1974 in the wake of the 1973 oil crisis.

**Investor Leadership Network (ILN)**

Launched at the 2018 G7 to facilitate and accelerate collaboration by leading global investors on key issues related to sustainability and long-term growth. As the leading network of investors taking action for people, planet and prosperity, the CEO-led group is composed of 13 global institutional investors representative of six countries, with over US\$9 trillion in assets under management.

**Management proposal or resolution**

An agenda item, submitted by management of a company.

**Meeting date**

Date a company holds its shareholder meeting.

**Mathematical provisions**

It is the amount that shall be set aside by the insurance company to meet its future obligations to policyholders.

**Migrations and new households**

ESG factor monitored by the Group; it refers to the migration phenomena and increased international mobility that are broadening the cultural diversity of the modern globalised societies and are transforming the preferences and market of the consumers, the workplace and the political debate. Also the profile of modern family is profoundly changing with a significant increase in households made up of only one person and in single-parent families due to greater women emancipation, growth in separations, longer life expectation and urbanisation. As a result, consumption habits, the distribution of resources and the social risk mitigation mechanisms are changing, and the vulnerability of the single-person households to situations of hardship - such as loss of employment or disease - is growing.

**Net-Zero Asset Owner Alliance (NZ AOA)**

International group of 69 institutional investors with US\$ 10.4 trillion assets under management, delivering on a bold commitment to transition their investment portfolios to net-zero greenhouse gas emissions by 2050, consistent with a maximum temperature rise of 1.5 °C degrees above pre-industrial temperatures.

**Open pension fund**

Scheme which provides retirement income, with no restriction on membership.

**Pandemics and extreme events**

ESG factor material to the Group's strategy and considering stakeholders' expectations; it refers to the fact that the population concentration and the deficiencies in population protection and emergency management mechanisms are increasing the risks associated with extreme events, such as earthquakes and tsunamis, pandemics and health emergencies as well as other man-made catastrophes such as technological, radiological incidents, and terrorism. A strengthening of the system to prevent, prepare for and respond to these events is required in order to increase the resilience of the affected territories and communities.

**Paris Agreement**

International treaty on climate change, adopted in 2015. As of November 2021, 193 members of the United Nations Framework Convention on Climate Change (UNFCCC) are parties to the agreement. The Paris Agreement's long-term temperature goal is to keep the rise in mean global temperature to well below 2 °C (3.6 °F) above pre-industrial levels, and preferably limit the increase to 1.5 °C.

**Polarization of lifestyle**

ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the enhanced awareness of the connection between health, living habits and the environmental, which is favouring the spread of healthier lifestyles, based on the prevention and proactive promotion of well-being, especially in the higher income and higher education social groups. Examples of this are the growing attention to healthy eating and to physical activity. However, amongst the more vulnerable social brackets, unhealthy lifestyles and behaviours at risk are continuing, if not actually increasing, with the spread of different forms of addiction (drugs, alcohol, tobacco, compulsive gambling, Internet and smartphone addiction), mental discomfort, sleep disorders, incorrect eating habits and sedentariness, with high human and social costs related to healthcare expenditure, loss of production and early mortality.

**Proposal or resolution**

An agenda item, submitted by management or by shareholder.

**Proxy or agent**

In law, substitute authorized to act for another entity or a document which authorizes the agent so to act and to put a person in place of them.

**Proxy advisor (or proxy firm)**

Provides services to shareholders to vote their shares at shareholder meetings of, usually, listed companies. The typical services provided include agenda translation, provision of vote management software, voting policy development, company research, and vote administration including vote execution.

**Proxy fight (or proxy contest, proxy battle, proxy war)**

Effort by the shareholder or group of shareholders of a corporation to convince other shareholders to cast their corporate votes the way the urging shareholders prefer, often in opposition to other shareholders or to management recommendations.

**Proxy solicitor**

Specialist a firm hired to help issuers gather proxy votes. ... Proxy Solicitors utilize shareholder lists to proactively contact shareholders to explain proposals and encourage voting. Ultimately, the solicitor's job is to increase the shareholder vote.

**Proxy voting**

Form of voting whereby a member of a decision-making body may delegate his or her voting power to a representative, to enable a vote in absence.

**Regulatory complexity**

ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the increase in the production of laws and regulatory mechanisms especially for the financial sector, in order to regulate its complexity and to share the fight against illegal economic activities with the sector's participants. Therefore, the costs for guaranteeing regulatory compliance and the need for greater integration and simplification of the governance systems are increasing.

**Resolution or proposal**

An agenda item, submitted by management or by shareholder.

**Resource scarcity and sharing economy**

ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the increase in world population and the excessive exploitation of natural resources such as soil, land water, raw materials and food resources that make the transition to circular and responsible consumption models necessary as they reduce the resources use and the waste production. Technological innovation and the spread of more sustainable lifestyles encourage the spread of new consumption and production patterns based on reuse and sharing, such as car sharing, co-housing, co-working and crowdfunding.

**Science Based Target initiative (SBTi)**

Collaboration between the Carbon Disclosure Project (an international non-profit organisation based in United Kingdom), the United Nations Global Compact, World Resources Institute and the World Wide Fund for Nature. Since 2015 more than 1,000 companies joined the initiative to set a science-based climate target.

**Shareholder**

Individual(s) owning securities in a company.

**Shareholder proposal or resolution**

A resolution submitted by a shareholder, to be voted in the agenda.

**Shareholder Rights Directive II (SRD II)**

European Union (EU) directive, which sets out to strengthen the position of shareholders and to reduce short termism and excessive risk taking within companies traded on EU regulated markets (Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement).

**Sustainability**

Broad policy concept in the global public discourse and is thought to consist of at least three main "dimensions" or "pillars": the environmental, economic and social dimension.

**Taxonomy**

See EU Taxonomy.

**Transparency and purpose-driven businesses**

ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the fact that key stakeholders of companies - such as investors, consumers and employees, especially in Europe and with particular reference to the Millennial - are ever more attentive and demanding on the purpose and the sustainability practices of companies. Also, the regulatory requirements for companies in terms of reporting and transparency are increasing, making it increasingly essential that a company demonstrate its ability to create value for all of its stakeholders, going beyond the shareholders. The growing number of benefit companies, cooperatives and social enterprises stands as proof of this trend.

**Third-Party Assets Under Management, TP AUM**

Assets managed by the Group on behalf of its institutional and retail clients, insurance companies and pension funds.



**Unmediated access to information**

ESG factor monitored by the Group; it refers to the increasing speed, ease and amount of information shared between people, governments and companies thanks to the diffusion of new communication technologies, social media and web platforms. In this way, knowledge is increasingly accessible, multi-directional, intergenerational and on a global scale, and is transforming how people form opinions and mutually influence each other. The traditional sources of information, such as newspapers, schools, parties and religious institutions, are undergoing a resizing of their role in mediating knowledge, with consequences for control of the reliability of the information circulated and for manipulating public opinion, as evidenced by the fake news phenomenon.

**Unit-linked fund**

Investment fund that is linked to a plan issued by an insurance company, divided into equal units. When policyholders put money into their investment, they buy units from the company. When policyholders withdraw money from the fund, they sell their units back to the company.

**UNEP FI Principles for Sustainable Insurance Initiative)**

Launched at the 2012 UN Conference on Sustainable Development, the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Sustainable Insurance (PSI) serve as a global framework for the insurance industry to address environmental, social and governance risks and opportunities. Endorsed by the UN Secretary-General, the Principles have led to the largest collaborative initiative between the UN and the insurance industry—the PSI Initiative. Over 200 organisations worldwide have adopted the four Principles for Sustainable Insurance, including insurers representing more than 25% of world premium volume and USD 14 trillion in assets under management. The Principles are part of the insurance industry criteria of the Dow Jones Sustainability Indices and FTSE4Good. The vision of the PSI Initiative is of a risk aware world, where the insurance industry is trusted and plays its full role in enabling a healthy, safe, resilient and sustainable society. The purpose of the PSI Initiative is to better understand, prevent and reduce environmental, social and governance risks, and better manage opportunities to provide quality and reliable risk protection.

**United Nations Framework Convention on Climate Change (UNFCCC)**

The convention established an international environmental treaty (effective: 21 March 1994) to combat "dangerous human interference with the climate system", in part by stabilizing greenhouse gas concentrations in the atmosphere. The 2021 United Nations Climate Change Conference, more commonly referred to as COP26, was the 26th UNFCCC conference, held at the SEC Centre in Glasgow, Scotland, United Kingdom, from 31 October to 13 November 2021 (and the third meeting of the parties to the 2015 Paris Agreement, and the 16th meeting of the parties to the Kyoto Protocol).

**United Nations Global Compact (UNGC)**

Non-binding United Nations pact to encourage businesses and firms worldwide to adopt sustainable and socially responsible policies, and to report on their implementation.

**United Nations Global Compact Women's Empowerment Principles (WEPs)**

Set of Principles offering guidance to business on how to promote gender equality and women's empowerment in the workplace, marketplace and community.

**United Nations Intergovernmental Panel on Climate Change (UN IPCC)**

Intergovernmental body of the United Nations responsible for advancing knowledge on human-induced climate change.

**United Nations Principles for Responsible Investment (UN PRI)**

United Nations-supported international network of investors working together to implement Principles for Responsible Investment.

**United Nations Sustainable Development Goals (or Global Goals, or UN SDGs)**

17 objectives contained in the 2030 Agenda for sustainable development, launched by the United Nations.

**Urbanization**

ESG factor monitored by the Group; it refers to the trend of human population concentrating in urban areas. Today over 70% of Europeans live in cities, and the amount should rise to above 80% by the year 2050. At the same time, over the years land consumption to convert natural land into urbanised areas has accelerated. Together with their expansion, the cities find themselves having to take up increasingly urgent challenges, such as social inclusion in the outskirts and the lack of adequate housing, congestion and air pollution. Considerable investments will therefore be necessary for urban regeneration and to modernise infrastructure and mobility systems based on a more sustainable planning.

**Women and minorities inclusion**

ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the growing demands for greater inclusion and empowerment of the diversities related to gender, ethnic group, age, religious belief, sexual orientation and disability conditions in the various areas of social life, from the workplace to that of political representation and public communication. The topic of women empowerment and reducing the gender pay and employment gaps has taken on particular emphasis. However, in the face of these trends an increase in forms of intolerance, social exclusion and violence is noted, particularly against women, ethnic and religious minorities, immigrants and LGBTI+ people and those with mental-physical disabilities, especially in the lower income and lower education social brackets.

# Contacts

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