



INTESA SANPAOLO
VITA

Policy on Sustainability
of Intesa Sanpaolo Vita Insurance Group

The present document encompasses the key **guidelines for Sustainability** integration within Intesa Sanpaolo Vita, parent company of the **Insurance Group of Intesa Sanpaolo**.

Fully aware of the impact of the business on environmental, social and governance factors, Intesa Sanpaolo Vita has defined a dedicated policy with guidelines to **generate long-term value and wellbeing for its community, customers and the environment**.

The Policy on Sustainability applies to all the companies part of Intesa Sanpaolo Vita Insurance Group.

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INTRODUCTION AND OBJECTIVES

Today's insurance industry is currently experiencing strong and steady evolution. Sustainability – which can be defined as the capacity to cover the needs of the present generation without compromising the needs of future generations – is increasingly becoming an important element of insurance companies' strategies and action plans.

The focus on sustainability in all areas of our company by the national and international institutions, the general public and consumers, has led to the definition and adoption of an acronym: ESG (Environmental Social Governance) which encapsulates all of the initiatives, projects and strategies deployed by companies in order to produce a sustainable impact on:

- Environment (E), which refers to environmental protection issues such as climate change, CO2 emissions, energy, waste, etc.;
- Society (S), which includes aspects relating to people (human rights, standards of employment, gender policies etc.) and to relations with the Community (relations with the civil community, society and customers):
- Governance (G), which refers to business ethics (anti-corruption measures, measures on privacy and anti-money laundering), corporate governance (executive pay policies, control procedures) supply chain (suppliers' working conditions, the environmental impact of procurement processes).

To facilitate and promote these principles on a large scale, the United Nations has defined 17 Sustainable Development Goals. The Sustainable Development Goals were agreed in the 2030 UN Agenda, and were signed by the 193 members of the UN organisation, including Italy, at the end of 2015. The 17 Goals have 169 targets, which follow on from the Millennium Development Goals launched in 2005.

The Intesa Sanpaolo Group, in line with the principles of its Code of Ethics, is aware of the importance of the fair, responsible allocation of resources according to criteria of social and environmental sustainability. The Group promotes the solid, sustainable creation and distribution of value among stakeholders. Transparency, solidity, attentive management of risk and integrity form the foundations of the decision-making process and day-to-day activity. This Sustainability Policy (the "Policy") reflects the above considerations. Its objective is thus to reinforce the integration of Sustainability principles within the insurance strategy, and to make a further contribution to reaching the SDGs.

In line with the Intesa Sanpaolo Group's commitments, the Intesa Sanpaolo Vita Insurance Group (the "Insurance Group") has drawn up guidelines to promote a responsible, sustainable business model in order to support the families and businesses in the communities in which it operates.

The Insurance Group has expressed this commitment with particular reference to environmental, social and governance factors ("ESG" factors). These three areas are addressed by considering the Sustainable Development Goals and the Principles for Sustainable Insurance (PSI), which were signed by the Insurance Group in 2019, as well as initiatives such as the UN Global Compact, UNEP FI, Equator Principles, Principles for Responsible Investment and Principles for Responsible Banking, which the Intesa Sanpaolo Group has adopted.

In particular, the Insurance Group is committed to ensuring that its strategies, and their implementation, follow:

- an integrated approach designed to generate value for shareholders, for all those who contribute to realising the objectives of the Intesa Sanpaolo Group, and for all the other stakeholders of the Insurance Group including personnel, customers, agents and retailers, contractual partners, the financial community and society in the broader sense, as well as the environment;
- a long-term perspective that creates the conditions for generating value in the future, while creating value in the present;
- continuous improvement, focusing on innovation, in order to pursue excellence and support the economic, environmental and social performance as well as the reputation of the Insurance Group.

This Policy therefore outlines the principles and standards of sustainability which have been adopted for the responsible management of the Group's business. The main ESG factors, which have already been defined in the materiality analysis conducted by the Intesa Sanpaolo Group, have been structured into the main objectives of this Policy. They consist of:

- supporting the strategic decisions of the Insurance Group with the objective of integrating the ESG principles within the organisation and in all the Business areas;
- supporting the identification of opportunities and the implementation of concrete actions, with the aim of creating sustainable value in the short term and over the medium-long term;
- identifying and managing the risks of exposure to significant ESG factors;
- monitoring and reporting on the risks and opportunities linked to ESG factors.

REGULATORY FRAMEWORK

This Policy considers the current international and national legislation on non-financial reporting, with particular reference to Directive 2014/95/EU of the European Parliament, and its enactment in Italy through Legislative Decree no. 254 of 30 December 2016, as well as Regulations EU 2019/2088 and 2020/852, which pertain respectively to sustainability reporting in the financial services industry, and to the creation of a framework for sustainable investment. Other regulations that have been considered include IVASS Regulation no. 38 of 3 July 2018, with particular reference to measures pertaining to the corporate governance system, or to the provisions concerning own risk and solvency assessment (ORSA) (Art. 262 of Delegated Regulation EU 2015/35 of the Commission).

The contents of this Policy reflect the contents of the Code of Ethics of the Intesa Sanpaolo Group and of the Insurance Group, as well as the sustainability commitments accepted by the Intesa Sanpaolo Group.

Glossary

ESG	Acronym used in economic and financial matters, to refer to environmental, social and governance factors (E, S, G).
Equator Principles	The Equator Principles are a set of voluntary international guidelines, and a reference for the financial industry in identifying, assessing and managing the environmental and social risk of projects.
Sustainable Development Goals (SDGs)	The Sustainable Development Goals (SDGs) are part of the “2030 Agenda for Sustainable Development” of the United Nations, which was signed by all the member states in 2015. They include 17 global goals and 169 sub-goals.
Principles for Responsible Banking (PRB)	The Principles for Responsible Banking (PRB), which were defined in 2019 by UNEP FI, are principles that establish the roles and responsibilities of the banking sector in supporting a sustainable future.
Principles for Responsible Investment (PRI)	The Principles for Responsible Investment (PRI), stipulated in 2006, are six principles concerning the sustainability mechanisms of the investments born from the partnership between UNEP-FI and UN Global Compact.
Principles for Sustainable Insurance (PSI)	The Principles for Sustainable Insurance (PSI), defined in 2012 by UNEP FI for the insurance sector, relate to the risks and opportunities linked to environmental, social and governance issues.
UN Global Compact	This is a UN initiative that aims to promote corporate social responsibility through the adoption of ten fundamental principles relating to human rights, labour rights, environmental protection and the fight against corruption.
UNEP FI	The UN Environment Programme Finance Initiative was started in 1992, from a partnership between the UN Environment Programme and the financial institutions. Its objective is the creation of principles and values for sustainable business.

17 Goals to Transform Our World

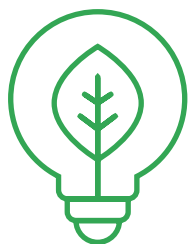
The 17 Sustainable Development Goals (SDGs) are the world's best plan to build a better world for people and our planet by 2030. Adopted by all United Nations Member States in 2015, the SDGs are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the environment. They recognize that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, equality and job opportunities while tackling climate change and working to preserve our ocean and forests.

The SDGs are integrated—that is, they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability. Through the pledge to Leave No One Behind, countries have committed to fast-track progress for those furthest behind first.

That is why the SDGs are designed to bring the world to several life-changing 'zeros', including zero poverty, hunger, AIDS and discrimination against women and girls.



THE PILLARS OF SUSTAINABILITY



Environmental

Fighting climate change and direct environment impact



Social

Respect and care for people



Governance

Ethics and good governance practices



Innovation & digital transformation

ESG factors are the environmental, social or corporate governance aspects that may impact the fulfilment of the Insurance Group's strategic objectives and its governance system, or those that the Insurance Group can influence through its activities.

AND: Environmental - Fighting climate change and direct environmental impact

In the environmental arena, the Insurance Group is committed to promoting and raising staff awareness of a responsible business model, with particular reference to the fight against climate change, by managing the associated risks and by reducing its own direct and indirect environmental impact. This requires an informed use of natural resources, the responsible management of waste, and a consideration of ESG factors in business practices.



In particular, the Insurance Group is committed to the following actions:

- reducing CO2 emissions and energy consumption by optimising and improving the efficiency of consumption, and disseminating a culture of environmental sustainability among staff, starting with small day-to-day actions, and also through special projects;
- promoting the use of renewable-source energy by encouraging the shift towards a lowcarbon economy, in line with the commitments and policies adopted by the Intesa Sanpaolo Group;
- using natural resources sustainably, leveraging Innovation and Digital in order to transform and dematerialise its business processes in order to reduce the impact of internal operations and customer-facing activities;
- managing waste in a way that reduces its production in the first place, and promoting a model of a circular economy, in line with the commitment policies adopted by the Intesa Sanpaolo Group;
- integrating environmental sustainability into its processes, with particular reference to the fight against climate change and reducing direct and indirect impact;
- developing partnerships and projects with internal or external players, for the fight against climate change;
- training stakeholders in relation to the fight against climate change and reducing impact through actions, initiatives and meetings.

S: Social - Respect and care for people

In the social arena, the Insurance Group is committed to caring for and promoting its people through actions designed to assure their well-being and opportunities, caring for customers by developing a high quality product offer, and caring for the local community by considering its needs and requirements.



In particular, the Insurance Group is committed to the following actions:

For our people

- promoting and developing people, through projects and programmes designed to grow young talent;
- promoting inclusion and diversity management, through the constant monitoring of gender KPIs and by promoting and integrating diversity;
- protecting jobs and employment by promoting well-being and the work-life balance, and by paying attention to the internal climate;
- promoting health and safety in the workplace.

For our customers

- offering targeted, high quality services to customers, with a particular focus on the safeguarding of vulnerable individuals (people or families who are disadvantaged due to economic, social or health factors), by promoting the bancassurance model, and aftersales support;
- promoting a culture of risk and insurance cover, by highlighting the value that insurance can bring to people's day-to-day lives, and the benefits of timely management of risk and pensions;
- retailing sustainable insurance and financial products, and incorporating and promoting ESG factors in communications with customers and product information sheets.

For our community

- supporting the community not only through our services, but also by offering programmes of support and education about the insurance culture;
- supporting the community through projects designed to promote a spirit of enterprise, scientific research, equal opportunities and support for disadvantaged groups.

G: Governance - Ethics and good governance practices

In the governance arena, the Insurance Group is committed to adopting ethical behaviours and good practices to assure integrity and business transparency, by raising internal awareness and promoting ESG factors.



In particular, the insurance group is committed to the following actions:

- promoting a business model that operates with integrity, and in compliance with laws and regulations;
- strengthening the governance of sustainability, by defining roles and responsibilities to identify and manage the risks and opportunities linked to ESG factors;
- raising awareness of the importance of sustainability, and promoting good practices among directors, top management, employees, contractors and anyone else who conducts relations with the Insurance Group, in order to favour the creation of medium-and long-term value from an economic, financial, social and environmental point of view, and to benefit shareholders while taking into account the interests of the other key stakeholders;
- integrating environmental and social sustainability into decision-making processes;
- promoting transparency in communications and business practices.

Innovation and digital transformation

Innovation and digital transformation are facilitators for all pillars of this Policy. The Insurance Group promotes digitalisation and innovative technology in its business model and working methods. This helps to make its products and services more accessible.



In particular, the Insurance Group is committed to the following actions, which are implemented across all the environmental, social and governance areas in relation to digitalisation, innovation and accessibility:

- transforming its internal processes;
- developing and implementing innovative technologies and services which are designed to meet the real needs of customers, while guaranteeing accessibility, high-quality services, and the responsible management of personal data, to respect customer privacy;
- strengthening the digital skills of staff, and promoting innovative working methods and approaches through concrete initiatives, also in synergy with the Intesa Sanpaolo Group.

PROCESS, ROLES AND RESPONSIBILITIES

The Insurance Group reinforces the commitments stated in this Policy by defining processes and identifying roles and responsibilities within its company bodies and structures which are designed to control the main ESG factors, risks and opportunities, and to allow for the monitoring and reporting of those factors.

In particular, the process involves the following phases:

1. Identifying and prioritising the main ESG factors and activities, projects and initiatives in line with the sustainability commitments;
2. Monitoring and managing the risks of launching sustainability projects in the various business areas, in accordance with the declared commitments, and also allowing for possible remediation actions;
3. Reporting on the risks and opportunities related to the main ESG factors.

The Insurance Group has thus defined its roles and responsibilities as follows.

BOARD OF DIRECTORS OF THE USCI

The Board of Directors of Intesa Sanpaolo Vita S.p.A., as the Ultimate Italian Parent Company (Ultima Società Controllante Italiana / USCI), is responsible, with regard to the Insurance Group, for:

- approving the sustainability guidelines contained in this Policy as adopted by the Insurance Group companies;
- during the process of setting the RAF (Risk Appetite Framework), for approving risk appetite and tolerance, also with reference to ESG factors, at levels which are compatible with the strategic objectives of the Insurance Group, by including in its assessment anything that could be significant in terms of sustainable success;
- evaluating the adequacy of the internal control system and risk management system with regard to ESG, bearing in mind the characteristics of the Insurance Group and its defined risk appetite;
- approving this Policy and its updates, taking into account the activities, risks and stakeholders of each Company in the perimeter.

INTERNAL CONTROL AND RISKS COMMITTEE OF THE USCI

The Internal Control and Risks Committee of the USCI which acts for the Insurance Group:

- assists the USCI Board of Directors in defining and assessing the sustainability guidelines and ESG factors which are relevant to the Insurance Group, as contained in this Policy;
- within the scope of its powers, assists the Board of Directors of each company in evaluating the adequacy and efficacy of the internal control and risk management system used to identify and assess the risks and opportunities of ESG factors, compared to the characteristics of the company.

SUSTAINABILITY FUNCTION OF THE USCI

The sustainability function of the USCI is performed by Personnel, Change Management and Sustainability:

- taking into account the ESG factors which are relevant for the Intesa Sanpaolo Group, it supports Risk Management in prioritising and assessing the ESG factors which are relevant for the Insurance Group;
- it promotes sustainability within the Insurance Group by identifying and defining new project opportunities, and implementing them on a practical level in collaboration with the business areas involved; it suggests to the Board of Directors any updates or additions to this Policy;
- it monitors and reports on ESG projects among the various functions, and reports back to the Board of Directors;
- it gathers the environmental, social and governance data required for the Non-Financial Report of the Intesa Sanpaolo Group;
- it works with the functions of the Intesa Sanpaolo Group on ESG matters, and takes part in the ESG Steering Committee;
- it speaks to the national and international institutions on sustainability issues, and in line with the stated commitments and principles, it communicates and reports on its own performance and progress.

RISK MANAGEMENT FUNCTION OF THE USCI

At Insurance Group level, this function has the following tasks, in the context of controlling ESG factors in risk management systems:

- during the RAF process, it identifies, analyses and assesses ESG risk, helping to assure better control of the associated risks, also taking into account the medium-and long-term objectives of building solid, sustainable value for all stakeholders;
- during the ORSA process, it assesses the exposure to ESG risks;
- it works with the competent departments in order to monitor the exposure to ESG risk and, where appropriate, reports to the Internal Control and Risks Committee and to the Board of Directors, with its observations regarding the management of ESG risks.

OTHER BUSINESS FUNCTIONS OF THE USCI

All the business functions help to identify the ESG factors which are relevant for the Insurance Group, and are committed to implementing the relevant guidelines; within their own remit, they report on the risks and opportunities linked to ESG factors, on how those factors are managed, and on the results achieved, working with the Sustainability Function. The main responsibilities of the various business units are outlined below:

Finance and Actuarial – the task of this function is to update and review the investment policy in order to assure alignment with the support of this Sustainability Policy and to agree the guidelines with the Delegated Managers.

Commercial (for the Sales, Marketing & Product and Underwriting divisions) - its task is to identify the customer sustainability requirements, develop products and services, and to set underwriting guidelines that correspond to the sustainability strategies of the Insurance Group and the principles of this Sustainability Policy.

Personnel, Change Management and Sustainability – the task of this function is to raise staff awareness of the content of this Policy, to adopt a staff management and development model that reflects the principles of this Policy, and to promote a widespread culture of sustainability. The final 12 1 January 2021 task of this function is to assist the business departments in translating the ESG principles and guidelines into business processes and products, also by leveraging innovation.

Compliance – this function provides regular assurance on regulations pertaining to ESG factors. Its task is to check that the company's operations conform to the principles and commitments declared in this Policy.

APPROVAL AND REVIEW

This Policy is reviewed and may be updated by the relevant business functions and departments, and is approved by the Board of Directors of Intesa Sanpaolo Vita as part of its responsibility for the Insurance Group. The Policy is implemented by the Boards of Directors of all the Insurance Group Companies.