GENERALI INVESTMENT SICAV – SRI AGEING POPULATION

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: GENERALI INVESTMENT SICAV – SRI AGEING POPULATION

Legal entity identifier: 549300XF06RKOKO6H487

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Did this financial product have a sustainable investment objective?	
☒ **Yes**	☐ **No**
☒ It made **sustainable investments with an environmental objective:** 7% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☒ It made **sustainable investments with a social objective:** 83%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

As indicated in the prospectus, the fund invests with a Socially and Responsible Investment (SRI) process, in listed equities from European companies that that contribute to the social objectives linked to the long-term trend of ageing population, those social objectives being: Health, Ageing Well, Better Living and Social solutions to the challenges of an ageing world.

The investment universe of the fund is built according to specific criteria described below.

Eligible companies are identified through:

A. A Societal contribution[1] of products and services strictly above 0%
B. An overall better result at a Sub-fund level compared to the Benchmark on the Net Environmental Contribution (NEC[2]) and the percentage of women in key management roles indicators.

In 2022, the financial product made the following investments with a sustainable objective:

I. c. 7% of the portfolio's investments were sustainable investments with an environmental objective: associated issuers had a NEC above or equal to 10%, and were thus meant to contribute positively to the energy and environmental transition and climate change mitigation.
II. c. 83% of the portfolio's investments were sustainable investments with a social objective:
    i. 68% of the portfolio's investments had a Societal Contribution of products and services above or equal to 10% and thus contributed positively to societal challenges identified by the United Nations' Sustainable Development Goals.
    ii. Further 9% had within their SPICE rating, a People rating (from letter P of SPICE) above or equal to 3.5/5, thus contributing positively to social priorities that aim at developing decent workplaces.
    iii. Further 2% had within their SPICE rating, a Corporate citizenship rating (from letter S of SPICE) above or equal to 3.5/5, for companies with a positive societal impact mission or exceeding primary obligations to society
    iv. Further 4% had a SPICE rating > 3.5/5, therefore creating value shared by all stakeholders: employees, clients, suppliers, institutions, associations, shareholders and the environment.

In addition, c. 5% of the fund's investments in companies were eligible according to the aforementioned selection criteria (A, B), or , but not meeting the above sustainable objective criteria (I, II.i, II.ii, II.iii or II.iv), and are therefore reported here as "not sustainable".

Finally, c. 5% of the fund's assets under management were cash and cash equivalent maintained for liquidity purposes, or instruments held for hedging purposes, and therefore reported here as "not sustainable".

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

How did the sustainability indicators perform?

The fund aims at outperforming the MSCI Europe index, a broad market index, regarding[3]:

[1] The Societal Contribution is a quantitative metric, on a scale of -100% to +100%, which combines the positive and negative societal contributions of a company's products and services. The methodology draws on the societal aspects of the United Nations' 17 Sustainable Development Goals (SDGs) and their 169 sub-goals (or targets), which provide a shared roadmap for private and public sector players for 2030, designed to create a better and more sustainable future. The methodology also includes macroeconomic and scientific data sourced from public research institutions, and from independent organizations such as the Access to Medicine Foundation or the Access to Nutrition Initiative. More details on the metric can be found on Sycomore AM's website: https://en.sycomore-am.com/esg-research-material?category=policies

[2] The NEC is a metric that measures the extent to which a company's business model is aligned with the ecological transition and the climate change mitigation objectives. It ranges from -100% for businesses that are highly damaging to natural capital, to +100% for companies with a strong positive net impact, offering clear solutions to environmental and climate-related challenges. The NEC covers five impact categories (issues: climate, waste, biodiversity, water, air quality) by group of activities (contributing areas: ecosystems, energy, mobility, construction, production). More details on the metric can be found on the NEC initiative's website: https://nec-initiative.org/

[3] Objectives set out in Sycomore's transparency code: https://en.sycomore-am.com/download/810745380

- The NEC: in 2022, the financial product had a weighted average NEC equal to 0%, while MSCI Europe had a weighted average NEC equal to -2%.
- The percentage of women in key management roles: in 2022, the financial product had a weighted average share of women in key management roles equal to 25%, to be compared to 21% on MSCI Europe.

…and compared to previous periods?

In 2021, the fund:

- Had a weighted average NEC equal to -1%, fairly close to the NEC at the end of 2022.
- Had a weighted average percentage of women in key management roles equal to +24%, fairly close to the percentage reported above for 2022.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

Two safeguards are implemented across all investments of the fund to ensure sustainable investments do not cause significant harm to any sustainable investment objective:

- The SPICE methodology involves the analysis of over 90 criteria, structured around the five stakeholders (Society & Suppliers, People, Investors, Clients and the Environment). Investments causing significant harm to one or more sustainable investment objectives are meant to be excluded through:
  - A minimum threshold, set at 3/5 for each investment of the financial product;
  - Consideration of controversies associated with issuers, monitored daily based on various sources of external data as well as controversy analyses run by an external provider. All controversies impact the SPICE rating of the issuer. Severe controversies can lead to an exclusion from the financial product;
- The exclusion policy[4] adds restrictions on activities that are regarded as causing significant harm to at least one sustainable investment objective.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

The SPICE methodology, through its 90 criteria, covers all environmental, social and governance issues targeted by the indicators for adverse impacts on sustainability factors listed within the Regulatory Technical Standards.

The financial product invested exclusively in equities of listed companies. Out of the 46 adverse impact indicators applicable to companies and excluding one item dedicated to bond investments (14 principal adverse impact indicators listed in Table 1, as well as 32 additional adverse impact indicators listed in Table 2 and Table 3), 42 indicators (23 environmental indicators and 19 social indicators) are covered during SPICE analysis, and 4 indicators (1 environmental indicator and 3 social indicators) are targeted by Sycomore AM's exclusion policy.

[4] The exclusion policy is available on Sycomore AM's website - https://en.sycomore-am.com/esg-research-material?category=policies

More specifically, Sycomore AM's fundamental analysis model SPICE, is an integrated model, allowing to get a holistic view of companies of the investment universe. It was built taking into account OECD guidelines for Multinational Enterprises. It fully integrates ESG factors to capture how companies are managing adverse impacts as well as key sustainable opportunities.

Examples of matching between adverse impact indicators and SPICE items include *inter alia*:

Society & Suppliers (S): The S rating reflects the performance of the company with respect to its suppliers and civil society. Analysis relates to the societal contribution of products and services, corporate citizenship, and the outsourcing chain. Adverse sustainability indicators including lack of a supplier code of conduct, insufficient whistleblower protection, lack of a human rights policy, lack of due diligence, risks related to human beings trafficking, child labour or compulsory labour, cases of severe human rights issues, and risks related to anti-corruption and anti-bribery policies, are taken into account in that Society & Suppliers section.

People (P): The P rating focuses on a company's employees and its management of human capital. The assessment of the People pillar covers the integration of people-related issues, employees' fulfilment (Happy@Work environment), and measurement of employee engagement. Adverse sustainability indicators including unadjusted gender pay gap, board gender diversity, workplace accident prevention policies and health & safety indicators, employee's grievance mechanisms, discrimination, and CEO pay ratios are addressed in that People section.

Investors (I): The I rating focuses on the relation between companies and their shareholders. The rating is assigned based on an in-depth analysis of the company's shareholder and legal structure and of the interactions and power balance between different players: management, shareholders and their representatives, directors. Analysis targets the business model and governance. Among adverse sustainability indicators, lack of diversity at board level and excessive CEO pay-ratio are also addressed in that section.

Clients (C): The C rating focuses on the company's clients as stakeholders, analyzing the offer made to clients as well as customer relationship.

Environment (E): The E rating assesses how the company stands with regards to natural capital. It accounts for management of environmental issues as well as positive or negative externalities of the company's business model. The operations environmental footprint subsection encompasses adverse sustainability impact indicators including greenhouse gas emission indicators, energy consumption, air pollution indicators, water, waste and material emissions, as well as biodiversity indicators. Sustainability impact indicators including carbon reduction initiatives and fossil fuel activities are addressed by the Transition Risk subsection of that E section.

Exclusion policy: finally, Sycomore AM's exclusion policy targets adverse sustainability impact indicators including controversial weapons, exposure to fossil fuel sector, chemical pesticide production, and more broadly was drafted to target companies in breach of the UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

Once the analysis – SPICE analysis including review of controversies, exclusion policy compliance – is performed, it impacts investment decisions in the following ways:

- As indicated in the previous question, it provides a safeguard against significant harm to any sustainable investment objective, by excluding companies not meeting minimum safeguard requirements;
- It also impacts the financial investment case in two ways: 1. assumptions related to the company's prospects (growth and profitability forecasts, liabilities, M&A, etc.) can be fed by certain SPICE outputs as relevant, and 2. some core assumptions of valuation models are systematically linked to SPICE outputs.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The development of Sycomore AM's analysis framework "SPICE" as well as the exclusion policy have been inspired by the OECD's Guiding Principles for multinational companies, the United Nations' Global Compact, the International Labour Organization's international standards and the UN Guiding Principles on Business and Human Rights. To assess the fundamental value of a company, analysts systematically examine how a firm interacts with its stakeholders. This fundamental analysis is designed to understand strategic challenges, business models, management quality and degree of involvement, and the risks and opportunities faced by the company. Sycomore AM has also defined its Human Rights Policy[5] in compliance with the UN Guiding Principles on Business and Human Rights.

Despite the above-described due diligence set to detect potential breaches of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, actual compliance of the analyzed issuers can never be guaranteed.

How did this financial product consider principal adverse impacts on sustainability factors?

As indicated in the previous sub-section, principal adverse impacts, as well as all other adverse sustainability impact indicators, are considered through SPICE analysis and outputs, complemented by Sycomore AM's exclusion policy.

Among 14 principal adverse sustainability impact indicators, 9 are environmental indicators addressed within the E section of SPICE analysis, 2 are social indicators addressed within the P section of SPICE analysis, and 3 are targeted by the company's exclusion policy.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is FY22.

What were the top investments of this financial product?

Year-end largest investments, in percentage of net assets, were:

Largest investments	Sector	% Assets	Country
Roche Holding Ltd Dividend	Health Care	5.1%	Switzerland
Novo Nordisk A/S Class B	Health Care	4.9%	Denmark
AXA SA	Financials	4.5%	France
AstraZeneca PLC	Health Care	4.5%	United
Schneider Electric SE	Industrials	3.8%	France
Air Liquide SA	Materials	3.7%	France
L'Oreal S.A.	Consumer Staples	3.3%	France
Siemens Healthineers AG	Health Care	3.2%	Germany

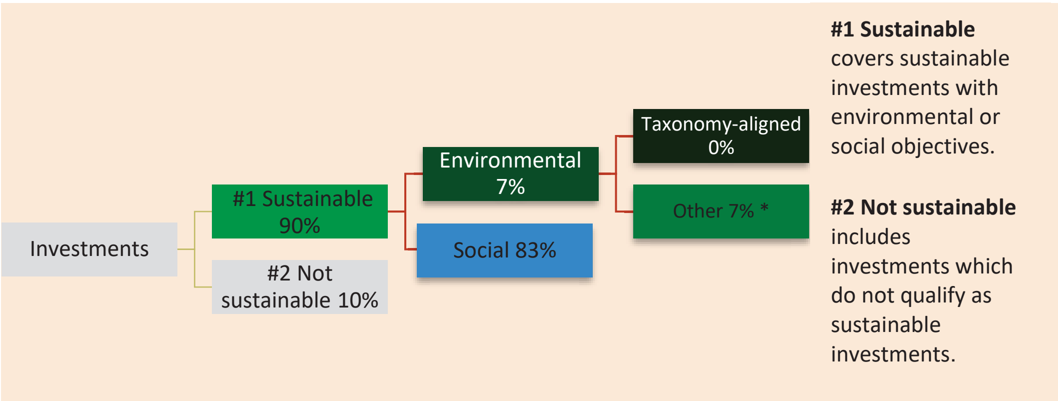
[5] Sycomore AM's human rights policy is available at: https://en.sycomore-am.com/5fe1d50d-Sycomore_AM_s_Human_Rights_Commitment_FINAL.pdf

Merck KGaA	Health Care	3.0%	Germany
Sonova Holding AG	Health Care	2.9%	Switzerland
RELX PLC	Industrials	2.5%	United
Intesa Sanpaolo S.p.A.	Financials	2.5%	Italy
Straumann Holding AG	Health Care	2.4%	Switzerland
Prudential plc	Financials	2.3%	United
Legal & General Group Plc	Financials	2.3%	United

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

What was the asset allocation?



Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

* At the date of this report, available information does not allow to quantify the share of taxonomy-aligned investments among sustainable investments with an environmental objective.

Nonetheless, an indicator for taxonomy-eligible investments of the financial product during the period is presented below.

Share of taxonomy-eligible investments

The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-eligible economic activities relative to the value of total assets covered by the indicator[6]

Turnover-based (%)	28%

Coverage (of the indicator Share of taxonomy-eligible investments)

The percentage of assets covered by the indicator relative to total investments[7].

Coverage ratio (%)	100%

[6] Eligibility was assessed based on the NACE code of the ultimate parent of the undertakings

[7] "Investments" relate to investments in companies; therefore investments not covered reported under the coverage divisor include undertakings whose ultimate parent is out of SFDR reporting scope, that is does not reside in the EU or with < 500 employees. Other assets not covered and *not* included in the coverage divisor are: investments in central governments, central banks and supranational issuers; investments in derivatives, cash and cash equivalents, indirect investments (UCITS).

In which economic sectors were the investments made?

Sector distribution reflects the investment thesis and constraints of the fund.

In 2022, the sector and sub-sector breakdown was as follows, based on GICS classification:

Sectors / Sub-sectors	% net assets
Cash	**5.1%**
Consumer Discretionary	**11.6%**
Automobiles & Components	**3.4%**
Automobile Components	1.5%
Automobiles	2.0%
Consumer Durables & Apparel	**5.0%**
Leisure Products	1.2%
Textiles Apparel & Luxury Goods	3.7%
Consumer Services	**3.2%**
Hotels Restaurants & Leisure	3.2%
Consumer Staples	**9.4%**
Household & Personal Products	**7.7%**
Personal Products	7.7%
Food, Beverage & Tobacco	**1.6%**
Food Products	1.6%
Financials	**21.1%**
Banks	**4.2%**
Banks	4.2%
Diversified Financials	**3.3%**
Capital Markets	3.3%
Financial Services	**2.1%**
Financial Services	2.1%
Insurance	**11.5%**
Insurance	11.5%
Health Care	**32.9%**
Health Care Equipment & Services	**15.4%**
Health Care Equipment & Supplies	14.3%
Health Care Providers & Services	1.1%
Pharmaceuticals, Biotechnology & Life Sciences	**17.5%**
Pharmaceuticals	17.5%
Industrials	**11.5%**
Capital Goods	**9.0%**
Building Products	1.0%
Electrical Equipment	5.2%
Industrial Conglomerates	1.4%
Machinery	1.4%
Commercial & Professional Services	**2.5%**
Professional Services	2.5%
Information Technology	**1.3%**
Software & Services	**1.3%**
Software	1.3%
Materials	**7.1%**
Materials	**7.1%**
Chemicals	7.1%
Total	**100.0%**

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

As indicated in the previous section, information available at the date of this report only allows to report taxonomy-eligible investment indicators.

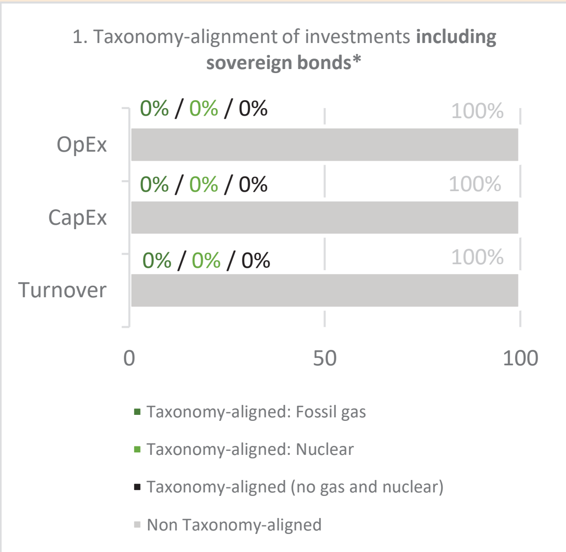
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[8]?

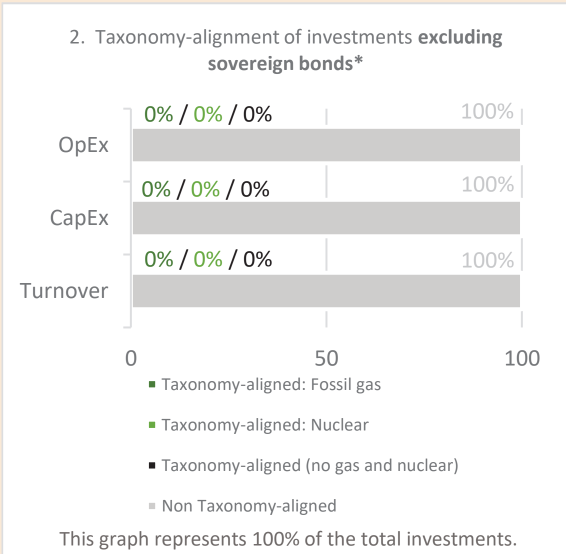
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What was the share of investments made in transitional and enabling activities?

[8] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

As indicated in the previous section, information available at the date of this report only allows to report taxonomy-eligible investment indicators.

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

As indicated in the previous section, information available at the date of this report only allows to report taxonomy-eligible investment indicators.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

As indicated in the previous section, information available at the date of this report only allows to report taxonomy-eligible investment indicators; therefore all sustainable investments made with an environmental objective (7% of net assets) were reported as not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

As indicated previously, c. 83% of the portfolio's investments were sustainable investments with a social objective, of which 68% of the portfolio's investments had a Societal Contribution of products and services above or equal to 10%, further 9% had within their SPICE rating, a People rating above or equal to 3.5/5, further 2% had within their SPICE rating, a Corporate citizenship rating (from letter S of SPICE) above or equal to 3.5/5, and further 4% had a SPICE rating > 3.5/5.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

c. 5% was cash and cash equivalents maintained for liquidity purposes, or derivatives held for hedging purposes, and are therefore reported here as "not sustainable".

Cash and derivatives held for hedging purpose, by nature, are not subject to any minimum environmental or social safeguards.

In addition, c. 5% of the fund's investments in companies were eligible according to the aforementioned selection criteria (A, B), or , but not meeting the above sustainable objective criteria (I, II.i, II.ii, II.iii or II.iv), and are therefore reported here as "not sustainable".

What actions have been taken to attain the sustainable investment objective during the reference period?

During the lifetime of an investment made by the fund:

- On an ex ante basis (prior to investment into a company): investments are made under condition of meeting one of the criteria of the fund, all identified as solutions to sustainable development challenges. Identifying whether the investment allows to attain an environmental objective or to a social objective is a prerequisite of the analysis.
- On an ongoing and ex post basis (during and after investment holding period):
  - During the investment lifetime, analyses outputs can vary alongside events related to the underlying's development. Any event that would make the investment no longer eligible to one of the criteria of the fund, or that would be subject to the exclusion policy, would trigger portfolio movements according to our internal procedures.
  - Engagement and exercising voting rights during the shareholding period also adds sustainability added value. The engagement strategy of the fund involves:
    - Engaging in discussions with companies held in our portfolios to fully grasp their ESG challenges;
    - Encouraging companies to publicly disclose their ESG strategies, policies and performance;
    - Calling upon companies to be transparent and instigate adequate and sustainable corrective measures following a controversy;
    - Getting involved in collective engagement initiatives on a case-by-case basis;
    - Asking questions, refusing to approve some resolutions or supporting external resolutions by exercising our voting rights.

How did this financial product perform compared to the reference benchmark?

N/A

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***

  N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  N/A

- ***How did this financial product perform compared with the reference benchmark?***

  N/A

- ***How did this financial product perform compared with the broad market index?***

  N/A