



**GENERALI**  
ASSET MANAGEMENT

# **Generali Asset Management**

## **Active Ownership Report**

*as of December 31, 2024*

# Content

## 01

### FOREWORD

- 1.1 Important information – p4
- 1.2 Introduction – p4
- 1.3 Generali AM Engagement policy – p5
- 1.4 Abbreviations and acronyms – p6

## 02

### ACTIVE OWNERSHIP FIGURES

- 2.1 Engagement – p8
- 2.2 Voting – p9

## 03

### ENGAGEMENT

- 3.1 Summary – p11
- 3.2 Definitions – p12
- 3.3 Evaluation of Engagement activities – p13
- 3.4 Case studies
  - 3.4.1 ENEL - Coal disclosure – p14
  - 3.4.2 VEOLIA - Climate plan – p15
- 3.5 Engagement process – p16
- 3.6 Ongoing engagements – p17
- 3.7 Overview
  - 3.7.1 ESG topics and countries – p18
  - 3.7.2 SDGs and PAIs – p19
  - 3.7.3 Collaboration with institutions – p20-21
- 3.8 Details of engagements – p22-23

## 04

### VOTING

- 4.1 Overview of service provided – p25
- 4.2 Voting behavior – p26-27
- 4.3 2024 voting season – p28
- 4.4 Figures – p29-32
- 4.5 Most significant votes – p33
- 4.6 Focus on Oil & Gas sector – p34-37

## 05

### ASSOCIATIONS & MEMBERSHIPS – p39



A photograph of a forest path covered in fallen leaves, with a red carpet-like path leading into the distance. The path is flanked by tall, thin trees. The ground is covered in a thick layer of brown and orange leaves. The background is slightly blurred, showing more trees and a hint of a bright area at the end of the path.

# 01

## FOREWORD

# 1. Foreword

## 1.1 Important information

This report aims to explain and illustrate - by aggregating data and figures - all the activities performed by the Active Ownership team of Generali Asset Management SGR ("Generali AM" or "GenAM") as of 31<sup>st</sup> December 2024 in its capacity as asset manager of individual portfolios and collective investment schemes (CIS).

Kindly note that Generali AM results from the extraordinary transaction, that has become effective as of 1<sup>st</sup> January 2024, consisting in the merger by incorporation of Generali Investments Partners SGR S.p.A. (GIP) in Generali Insurance Asset Management SGR S.p.A. (GIAM). Consequently, all the activities and products previously performed and managed by GIP have been passed to, and continued by, GIAM, without interruption, under the new denomination of GenAM.

The information contained in this report is required by the EU Shareholder's Rights Directive II and the relevant Italian implementing provisions (art.124. quinquies Legislative Decree 58/1998 as subsequently amended).

The voting figures shared relate only to portfolios on which Generali AM has discretionary power to vote.

## 1.2 Introduction

The main objective of Generali AM, through Active Ownership function is to mitigate ESG risks and create long-term value for stakeholders by promoting and monitoring the sustainability and good governance of investee companies.

To achieve this, Generali AM Active Ownership team leverages on proxy voting and engagement activities, building relationships with investee companies, identifying weaknesses and opportunities, and setting expectations. Cultivating trust and exercising voting rights are fundamental to influence issuers' behaviors and accountability on ESG issues.

Figures in 2024 were substantially in line with those related to 2023 (summing GIAM and GIP figures).

During the 2024 voting season, shareholder proposals continued to play a significant role. We supported Governance proposals, particularly those eliminating supermajority requirements and improving minority shareholder rights. We also actively supported Environmental and Social proposals. However, the overall market support for Environmental and Social proposals saw a decline, mainly in US, after the peak in 2021. This declining trend can be attributed to two main factors: increased transparency and disclosure by companies regarding their Environmental and Social practices, and the ESG backlash.

Looking ahead for the 2025 voting season, companies should anticipate increased scrutiny of their Governance practices and maintain active offseason engagement programs to address investor concerns. This proactive approach will help build stronger relationships with investors and ensure that companies are better prepared for future proxy seasons. By encouraging open communication and demonstrating a commitment to good Governance, we think companies can enhance their reputation and secure long-term shareholder support.

We hope you find this report to be both useful and insightful.

# 1. Foreword

## 1.3 Generali AM Engagement Policy

The Generali AM Engagement policy - [available online](#) - governs Active Ownership activities and its objective is to:

- comply with EU Shareholder Directive Rights II and its Italian implementing provisions,
- define the principles leading the Engagement behavior also regarding ESG topics,
- define main interactions, roles and responsibilities related to the Generali AM Engagement process.

This Policy content complies with the above-mentioned regulatory framework and includes how Generali AM:

- monitors investee companies on relevant matters, including strategy, financial and non-financial performance and risk, capital structure, Social and Environmental impact and corporate Governance,
- conducts dialogues with investee companies,
- exercises voting rights and other rights attached to shares,
- cooperates with other shareholders,
- communicates with relevant stakeholders of the investee companies,
- manages actual and potential conflicts of interests in relation to Engagement activity.





# 1. Foreword

## 1.4 Abbreviations and Acronyms

<b>AGM</b>	Annual General Meeting
<b>CEO</b>	Chief Executive Officer
<b>EMEA</b>	Europe, Middle East and Africa
<b>ESG</b>	Environmental, Social and Governance
<b>AUM</b>	Asset Under Management
<b>PRI</b>	Principles for Responsible Investing
<b>IIGCC</b>	Institutional Investors Group on Climate Change
<b>SBTi</b>	Science Based Target initiative
<b>CA100+</b>	Climate Action 100+
<b>SDGs</b>	Sustainable Development Goals
<b>PAIs</b>	Principle Adverse Impacts



02

# 2024 ACTIVE OWNERSHIP FIGURES

## 2. 2024 Active Ownership figures

### 2.1 Engagement

78

Engagements

68

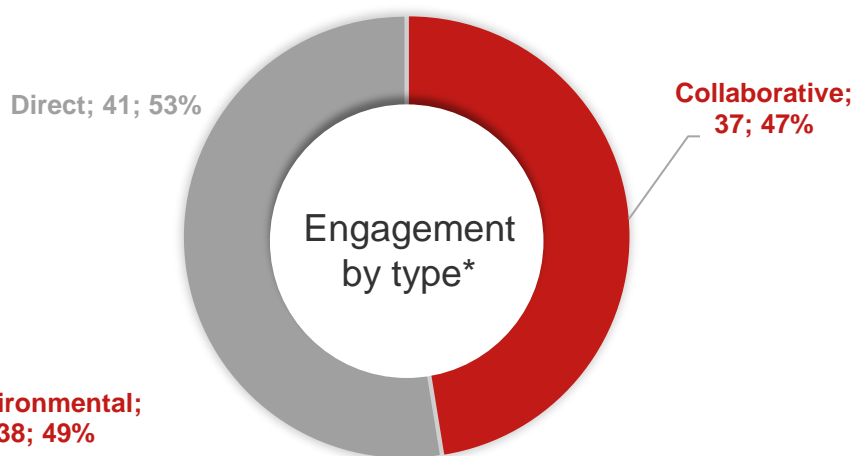
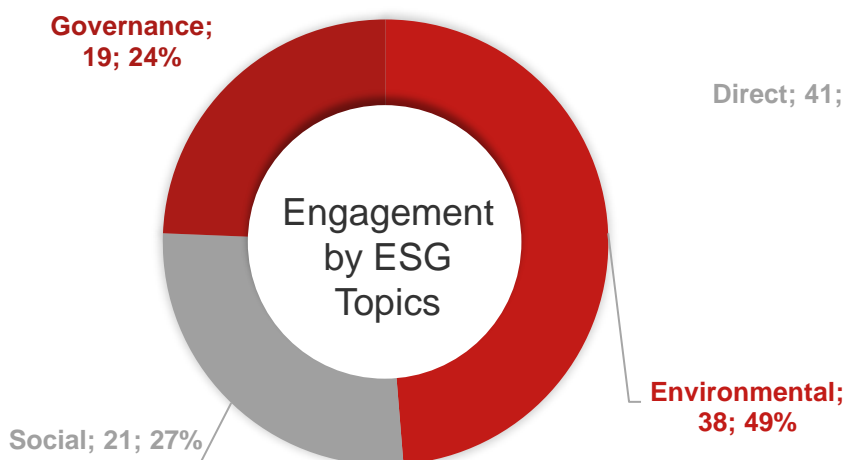
Counterparties

24

Successful  
engagements

2

engagements  
with « additionality »



\* Detailed definition of types of Engagement can be found in page 20



## 2. 2024 Active Ownership figures

### 2.2 Voting



999



**Shareholders  
meetings**

This figure refers to portfolios/funds on which Generali AM has discretionary power to vote

2



**Bondholders  
meetings**

33



**Countries  
covered**

14,384



**Resolutions  
voted**

Shareholders  
meetings

13%



**Negative  
opinion**



03

# ENGAGEMENT

## 3. Engagement

### 3.1 Summary

Globally, in 2024, we performed 78 engagements on behalf of individual portfolios and Collective Investment Scheme (CIS) managed by Generali AM.

We define that an engagement is successful when the company engaged has met our expectations. In 2024, **24 engagements were successful**.

In our approach, engagement “additionality” is demonstrated when the successfully engaged company recognizes the added-value of the investor’ engagement. In this report, we present the **2 cases of engagement with additionality**.

Our approach towards “additionality” is based on 3 pillars: a focused preparation to create value-added, building a partnership with the issuer to create common added value via negotiation, and creating or leading a coalition of investors when relevant and possible.

As regards the Environmental engagements (38), they were mainly focused on climate issues, distributed across the main contributing sectors such as electricity producers, oil & gas companies, cement and mining companies. Additionally, we performed 19 and 21 engagements on Governance and Social issues, respectively.



Engagement



# 3. Engagement

## 3.2 Definitions

Since there is no commonly accepted definitions on engagement related concepts, we share ours in the next pages as a contribution to the debate.

### **Definition of an “engagement”**

We define an engagement as a series of interactions of Generali AM with one issuer on one specific topic. An engagement is recorded when it has been approved by an engagement committee. One issuer can be subject to several engagements (several distinguished topics).

### **Definition of an “engagement activity”**

We define one activity as an action supporting the engagement, for example a research meeting, an issuer meeting or an investor only meeting. Voting activities are counted separately.

### **Definition of “engagement expectations”**

Setting expectations is a process, where the initial ones are shared formally at the beginning of the engagement with the company. However, depending also on the engagement intensity and the depth of discussions with the company, expectations might be negotiated and adjusted to have more chances to have them implemented by the company, keeping in any case the spirit of the expectations itself. Being able to identify innovative solutions which enable to match investor's expectations while taking into account company's constraints is a potential source of additionality.

### **Definition of “successful engagement”**

We define a successful engagement as an engagement where the issuer has met the investor's expectations. Following this results, the related engagement is closed.

### **Definition of “engagement with additionality”**

The concept of “additionality” is usually associated with the added-value brought by an activity. It is usually identified if we can say that an event wouldn't have happened without this activity. Regarding one engagement, if we can say that the engagement expectations wouldn't have been met without the action of the investor, then we can say the engagement had an added-value and demonstrated “additionality”. The additionality of such an engagement would then be the implementation of engagement expectations. We consider that engagement had an added-value, and was therefore “additional”, when the company we have been engaging has recognized this added-value (privately or publicly).

# 3. Engagement

## 3.3 Evaluation of Engagement activities

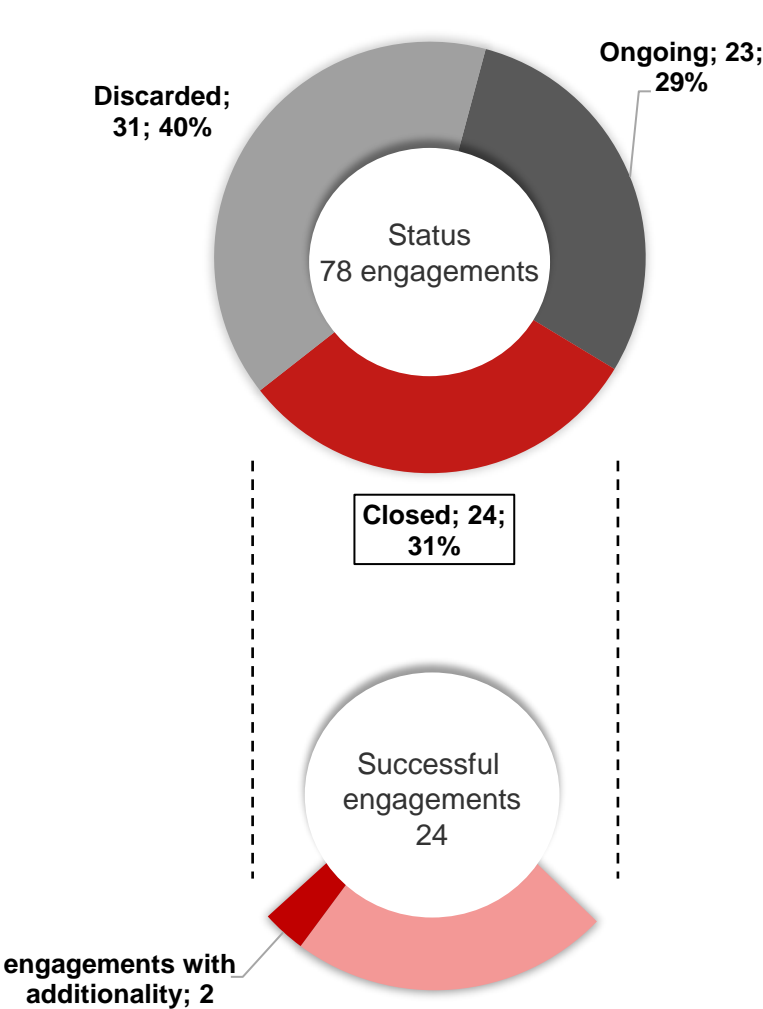
We performed 78 engagements in 2024. Engagement status and results below are evaluated by a qualitative assessment performed by Generali AM Engagement specialists.

### 24 successful engagements

In 2024, 24 engagements were successful since these engaged issuers have met our expectations.

### 2 engagements with “additionality”

In 2 cases among 24, the engagement has been able to demonstrate additionality where issuers have met expectations of investors and recognized investors added-value privately or publicly. See case studies at pages 14 and 15.



Engagement status (78 engagements)

Status	Comments
Closed	Issuer has met expectations. The engagement is therefore closed.
Ongoing	Ongoing discussion with the issuer (see details at page 17).
Discarded	Despite the initiation of the engagement, clients asked us to stop the engagement for different reasons: positions closed or reduced, change of Engagement perimeter, dismissed label...

Evaluation of engagement activities

Category	Comments
Successful engagements	In 24 cases, the issuer has met our expectations. These are successful engagements.
engagements with additionality	In 2 cases, issuers have recognized our added-value publicly (see 2 case studies at page 14 and 15). These cases have demonstrated Engagement “additionality”.

## 3. Engagement

### 3.4 Case studies

#### 3.4.1 ENEL - Coal disclosure

In June 2023, a group of investors, members of the Italian Sustainable Investment Forum (ItaSIF - Forum per la Finanza Sostenibile\*) and a select group of Climate Action 100+\*\* investor signatories, developed three expectations for ENEL:

- disclose the coal phase out strategy (high level principles);
- disclose a road map to define a milestones plant by plant;
- disclose the context and constraints applying to coal plants in Italy and Spain.

In this collaborative initiative, Generali AM has been co-founder and co-lead in FFS and CA100+.

As a result of the engagement with this group of investors, ENEL has published a dedicated coal section in its Sustainability Report (issued in 2024), including:

- the reiteration to phase out coal by 2027;
- the previous trajectory of coal capacity since 2015;
- a detailed roadmap for each of the remaining coal plants;
- a detailed process which ENEL follows to close a plant.

ItaSIF and CA100+ acknowledged the progress ENEL has made in disclosing its Net Zero strategy in general, including a deep dive on its plan to phase out coal generation. See [Joint Statement on Climate Action 100+ website](#) and [ItaSIF website](#).

*“We deem the engagement with Forum per la Finanza Sostenibile and Climate Action 100+ as best practice of how investors and industry players can share a mutually fair and effective disclosure framework.*

*With the 2025-27 Strategic Plan, Enel has confirmed the commitment to achieve a financially sustainable Net Zero by 2040 and the target to close all its coal plants by 2027. The achievement of such target will of course be subject to a positive outcome granted by the local regulatory authorities in terms of authorizations, sustainable financial conditions on both the dismantling activities and reconversion of the facilities. For their reconversion, Enel will evaluate new energy projects, in integration with non-energy projects developed by third-parties.”*

Chief Financial Officer of ENEL

\* See at page 36

\*\* See at page 38



## 3. Engagement

### 3.4 Case studies

#### 3.4.1 VEOLIA - Climate plan

Since December 2022, Generali Asset Management has led an investor group of seven investors signatories of the Net Zero Engagement Initiative (NZEI)\*, working with VEOLIA to strengthen their climate action plan.

We met with senior leaders at VEOLIA in a series of meetings and workshops, sharing resources to outline investor expectations of a company transition plan, including a detailed explanation and breakdown for each business, emissions trajectory and contributing levers, disclosures on coal in CEE/China and related climate governance.

The plan was published in February 2024 and was later approved by the Science Based Targets initiative (SBTi) and rated “Advanced” by Moody’s. It includes targets for a 50% reduction in scope 1 and 2 emissions by 2032 and a 30% reduction in scope 3 emissions by the same year, compared to 2021 levels, signaling an important step towards VEOLIA’s 2050 net zero commitment.

In addition to meeting the investor group expectations, the climate action plan also includes additional details on the organization’s governance practices, risk management policy, and performance indicators, meeting requirements from the Task Force on Climate-related Financial Disclosures (TCFD). VEOLIA invested €500 million in its climate strategy between 2018 and 2023 and has pledged a further €1.1 billion by 2030.

Following the publication of the climate plan, VEOLIA recognized privately the value added of this joint work with investors, supporting them in their decarbonization roadmap.

We will continue to work with the company on avoided emissions, coal in China, methane, CAPEX, and related improvements in reporting.



\* See page 37

## 3. Engagement

### 3.5 Engagement process

#### Engagement Committee

The periodic meetings of the Engagement Committee are usually attended by the heads of functions which are involved in the Engagement process: Research, Investments, Risk management, ESG, ensuring the link with the functions involved in the process.

The role of each Engagement Committee is to approve the list of issuers to be engaged (engagement list), monitor engagement execution, decide on possible escalations and close the case when relevant.

#### Engagement list

The Engagement List is based on requests from different stakeholders in different frames.

#### Individual portfolios managed by Generali AM

- client commitments (like for example Net Zero Asset Owner Alliance)
- exclusions, controversies or low ESG Score of the issuers.

#### Funds managed by Generali AM

- exclusion, controversies or low ESG Score of the issuers
- labels may require the labelled fund to perform engagements
- engagement opportunities may arise from our participation to collaborative initiatives
- regulation: the SFDR regulation foresees engagement for funds for which this applies.

#### Engagement Execution

Generali AM Active Ownership team is in charge for the engagement execution activities, including internal working group briefing, investee issuer interaction, assessment of the information provided by the investee issuer, issuance of recommendation, reporting. During the execution, Generali AM Active Ownership team reports to the Engagement Committee the ongoing actions and informs it about external elements that could impact the engagement cases. All engagement information, documents and interactions are stored in a dedicated database.

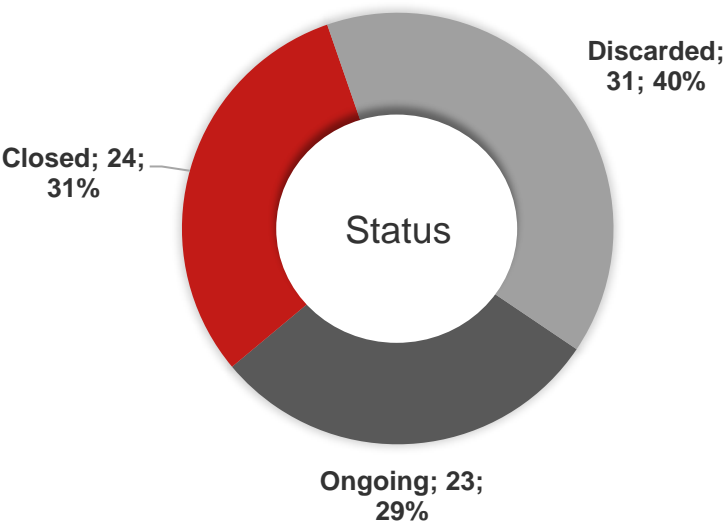
#### Engagement Monitoring

The Engagement Committee evaluates the status of each engagement case presented depending on the initial goals defined. Escalations might be decided. Escalation can be either internal (improve preparation or quality of relationship with issuer), or external.

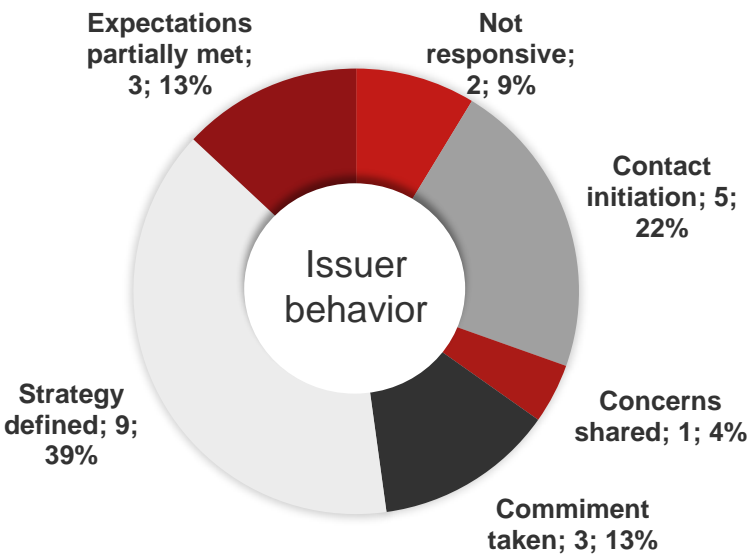
# 3. Engagement

## 3.6 Ongoing engagements

The status of engagement is a qualitative assessment performed by engagement specialists. The data below is reflecting the status as of December 2024.



Status	Comments
Ongoing	Ongoing discussion with the issuer
Closed	Issuer has met expectations. The engagement is therefore closed.
Discarded	Despite the initiation of engagements, clients asked us to stop an engagement for different reasons: positions closed or reduced, change of engagement perimeter, SRI label dismissed...



### Details on « On going » engagements (23)

Issuer Behavior	Comments
Not responsive	Issuer is not responsive or reluctant to discuss on the issue raised. Escalation strategies are evaluated.
Contact initiation	Contact is being initiated with the issuer
Concerns shared	Concerns have been shared with the issuer
Commitment taken	Issuer has committed to solve the identified issue
Strategy defined	Issuer has defined a strategy to reach the commitment
Expectations partially met	Issuer has partially met engagements expectations.



## 3. Engagement

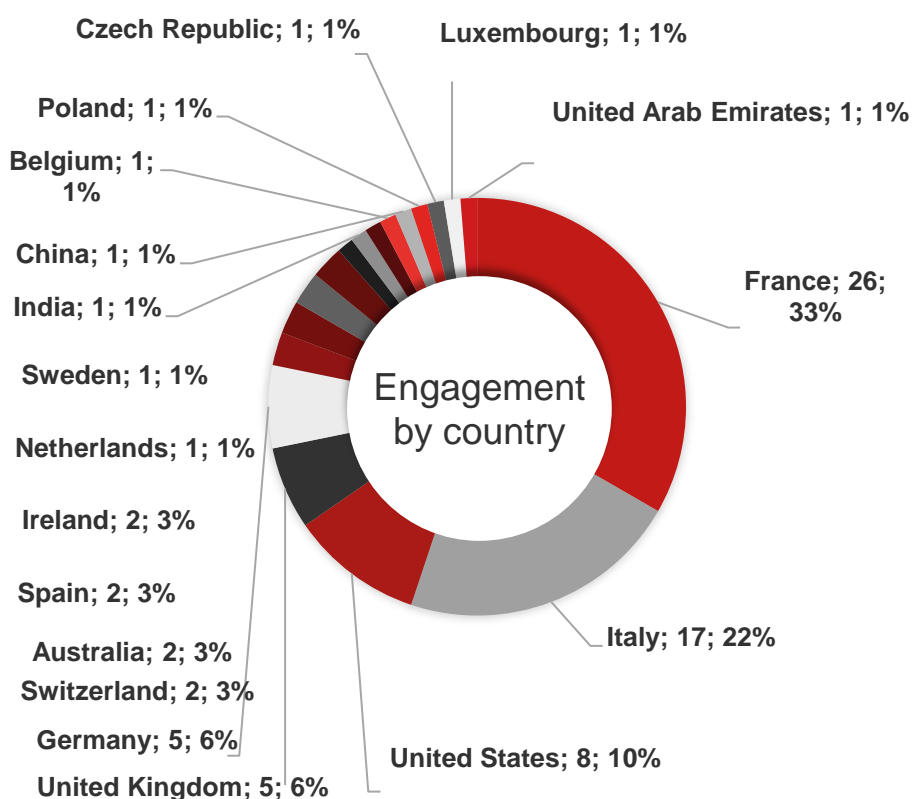
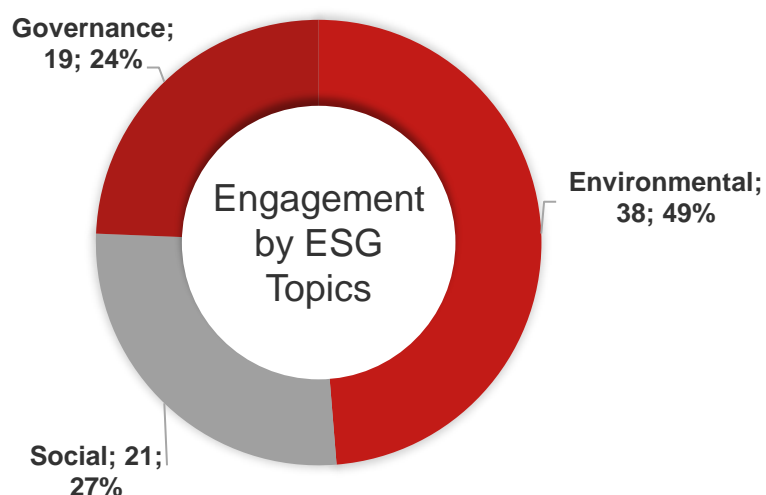
### 3.7 Overview

#### 3.7.1 ESG topics and countries

The following graphs break the 78 engagements performed in 2024 down into several categories, with different angles.

#### Breakdown by ESG Topic

Historically, we have been engaging on Governance topics leveraging on voting activities since 2016. Then, in 2018, we have been building on Environmental topics and on social and human rights since 2021. For further details on each topic, please go directly to pages 19 and 20.



#### Breakdown by Country

Most of our engagements are with companies based in Europe.

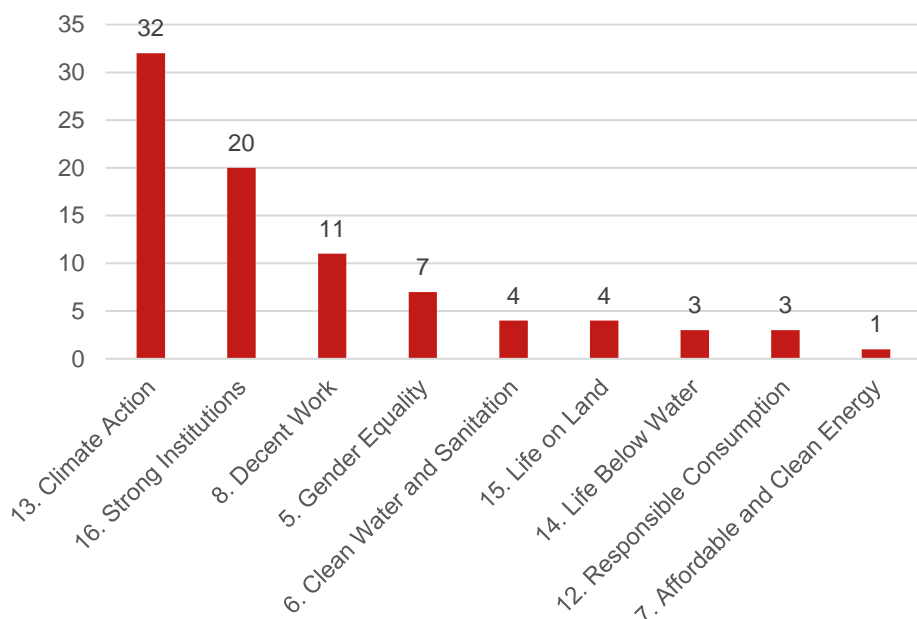
However, year after year, we are extending our perimeter to other parts of the world.

## 3. Engagement

### 3.7 Overview:

#### 3.7.2 SDGs and PAIs topics and countries

The following graphs break the 78 engagements performed in 2024 down into SDGs and PAIs categories.



#### Engagement by SDGs

The climate related engagements (33) feed the SDGs “13” and “7” (“Climate Action” and “Affordable and clean energy”). Some Environmental engagements address SDGs “6”, “15” and “14” (“Water”, “Life on Land” and “Life below water”).

Most Governance related engagements are linked to SDG “16” (“Strong institutions”).

Social engagements address mainly SDG “8” (“decent work”) and SDG “5” (“gender equality”).

*Note: one engagement may address several SDGs.*

#### Engagement by PAIs: Principle Adverse Impacts

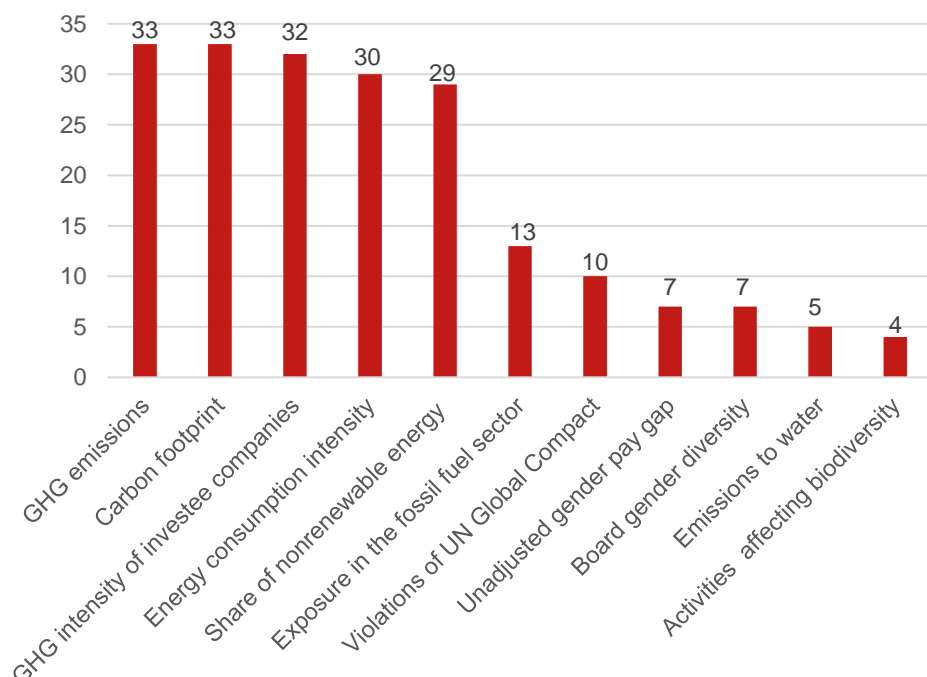
Engagement is used as further “action taken” to mitigate Principle Adverse Impacts of investments (SFDR disclosure).

The 33 climate engagements are reflected in the first climate related PAIs.

The Coal and Oil & Gas related engagements are visible in the “exposure to the fossil fuel” PAI.

Biodiversity and water related engagements are reflected in the related PAIs.

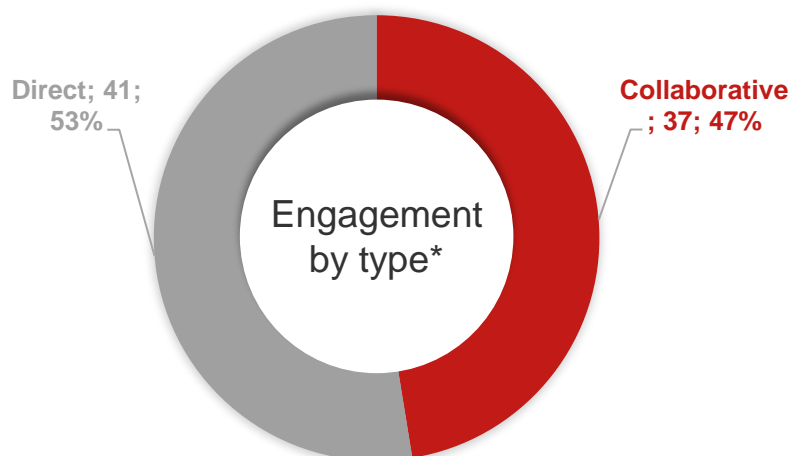
Finally, gender diversity engagements are also reflected in the related PAIs.



## 3. Engagement

### 3.7 Overview:

#### 3.7.3 Collaboration with institutions ESG topics and countries



#### Direct & Collaborative engagements

A direct engagement refers to an engagement performed directly with an issuer, with no other investors involved. When relevant, the cooperation with other investors who share the same concerns could take place in order to maximize the influence on the company engaged. This is what we call a “collaborative engagement”.

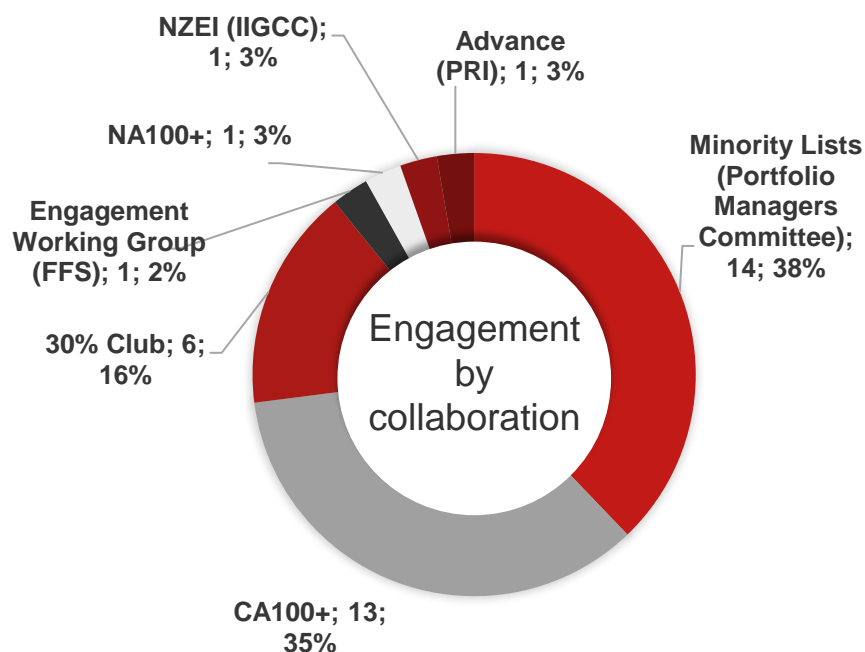
The use of direct or collaborative engagement is independent of the intensity of the engagement, since collaborative engagement can also be used to mutualize the engagement effort.



## 3. Engagement

### 3.7 Overview

#### 3.7.3 Collaboration with institutions (continued) topics and countries



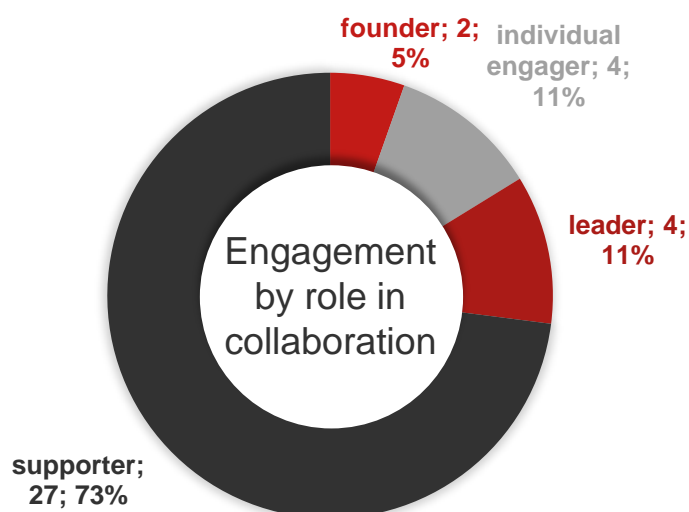
#### Involvement in collaborations

We are members of key collaborative initiatives: Portfolio manager's committee supporting "Minority lists" ("Voto di Lista"), Climate Action 100+, the 30% Club, the Net Zero Engagement Initiative (coordinated by IIGCC), Engagement working group coordinated by Forum per la Finanza Sostenibile (ItaSIF) and ADVANCE (coordinated by PRI). See details pages from 41 to 43.

#### Roles in collaborations

We can distinguish 4 types of roles we played in collaborations in 2024:

- **Supporter:** it implies attending meetings organized by the co-leads and sharing inputs on possible expectations
- **Individual engager:** it is a category specific to CA100+ enabling an investor engaging a company directly to be informed of the developments of one collaborative engagement.
- **Leader (or co-leader):** the role consists of coordinating one collaborating initiative. This includes engagement research, setting expectations, coordinating interactions with the company
- **Founder:** we apply this category when we build a coalition by ourselves.





# 3. Engagement

## 3.8 Details of engagements

### Environmental: 38 engagements

#### Climate - Materials: 12 engagements

We are engaging issuers from the materials sectors (Steel, Cement, Chemicals, Mining, Packaging) with the aim to improve disclosures in line with CA100+ and to reach the Science Based Target validation for the issuer.

#### Climate - Oil & Gas companies: 8 engagements

One focus of these engagements is on the financial implications of a 1.5C alignment in the Oil & Gas sector. A model integrating carbon budget implications into financial modeling towards 2050 was developed. In addition, methane is a key component of Oil & Gas majors' emissions, and these engagements aim at reducing methane emissions for these Oil & Gas majors.

#### Climate - Electricity producers: 8 engagements

We encourage issuers to adopt an SBTi-approved trajectory to align with the goals of the Paris Agreement and we use CA100+ to define more specific expectations on issuers' disclosures. We have been engaging issuers on coal decommissioning plan.

#### Climate - Real Estate: 2 engagements

Efforts have been directed towards setting SBTi validation as a target. These issuers were encouraged to develop a consistent and robust climate strategy.

#### Climate - Transportation: 1 engagements

We engage this issuer belonging to the automotive sector on the SBTi validation.

#### Environmental damages: 4 engagements

We have been working with companies on the environmental impact of their products.

#### Climate - Waste Management: 1 engagement

We are engaging with a large waste manager, in the middle of a major transformation. We agreed to support them in the definition of their climate plan sharing with them detailed investors expectations.

#### Climate - Financials - Carbon Footprint: 1 engagement

We have engaged a holding company for its Scope 3 emissions. Our main expectations was for them to align with the framework of the Science Based Target for Financial Institutions.

#### Water: 1 engagement

The goal of this engagement is to improve water practices of the issuer.

## 3. Engagement

### 3.8 Details of engagements (continued)

#### Governance: 19 engagements

##### **Election of independent board members - Support to “Minority Lists”: 14 engagements**

These engagements are performed in the context of the support of “Minority Lists”, participating as minority shareholder - among other investors - in the presentation of lists of independent directors and auditors into Italian quoted companies.

##### **Board independence: 4 engagements**

We have been engaging the issuers regarding the independence rate of their board.

##### **Related party transactions: 1 engagements**

We are requesting more in-depth information, the appointment a Lead Independent Director and the establishment of an independent board committee to review the transactions in focus.

#### Social: 21 engagements

##### **Labor controversies: 10 engagements**

These engagements are linked to controversies. The topics include poor working conditions, low wages, social concerns in high-risk sectors and countries, labor management issues, non-payment of wages, sexual harassment, and gender discrimination.

##### **Diversity: 7 engagements**

We leveraged the 30% Club in 2024, utilizing the initiative's framework and KPIs to dialogue with the European issuers involved.

##### **Product Safety: 2 engagements**

We have been engaging these issuers regarding product safety.

##### **Turnover: 1 engagements**

We have been engaging an elderly people house business regarding the turn-over of its personnel.

##### **Data Privacy and security: 1 engagement**

We engage a tech company regarding its data privacy and security practices.

04

**VOTING**

# 4 Voting

## 4.1 Overview

This section includes the overall aggregated data related to the voting activities performed by Generali AM according to the Generali AM Engagement Policy on behalf of the (i) Collective Investments Schemes (CIS) set up and managed by Generali AM, (ii) CISs managed by Generali AM for which there is a delegation agreement conferring the voting right to Generali AM on a discretionary basis as well as (iii) the individual portfolios managed by Generali AM for which the client conferred the voting right on a discretionary basis.

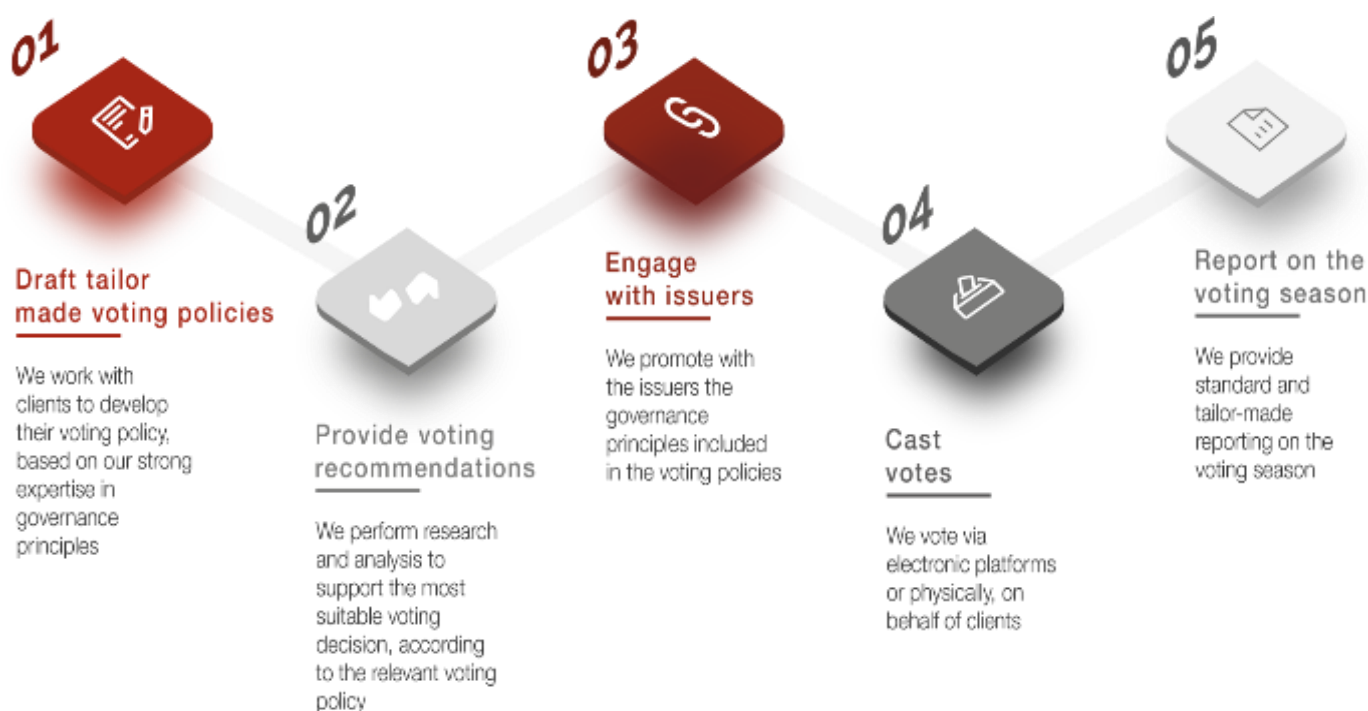
All the votes we performed are considered “Significant Votes”. **Full list** of “Significant Votes” is available in the **Annex I** attached to this document.

For the “Most Significant Votes”, please see paragraph 4.5 and **Annex II**.

The exercise of voting rights is based on the relevant Generali AM policies and guidelines, integrating the Generali AM ESG principles, relying on a dedicated internal voting specialists' team in charge of analyzing and rating companies through a deep and extensive governance analysis.

Generali AM Active Ownership team is in charge of exercising voting, as well as of the performance of the instrumental activities to the exercise of the voting rights in compliance with the criteria set out by the Engagement policy, Conflict of interest policy and procedure.

The proxy voting advisor is Glass Lewis, who provides research and advice related to the exercise of voting rights and the electronic proxy voting platform. In addition, we integrate the research with inputs from portfolio managers, ESG analysts, engagement specialists and an additional proxy voting advisor to complement the assessment.





# 4. Voting

## 4.2 Voting behavior

The following description is not exhaustive, but it highlights the most prominent principles we followed during the 2024 voting season.

### Financial Statement and Audit-Related Resolutions

The main principle is transparency, based on true and complete information. Companies should highlight the main risks to which they are exposed to.

Our voting orientation is to vote **AGAINST** if there are concerns highlighted in our research process, for example in case of material breaches or when relevant reservations are expressed by the independent auditors.

### Corporate Governance

Boards with high standards of corporate governance can make robust strategic decisions, challenge and promote effective management oversight, and oversee risk management, enhancing investor returns over time. Key criteria include:

- **Segregation of duties:** we favor separating the roles of chairman and CEO.  
For example, our voting orientation is to vote **AGAINST** if the nominee holds both roles without a lead independent director, or if there is a lead independent director, or if the lead independent director is not truly independent.
- **Director independence:** we support board independence and do not consider directors independent if elected for more than 10 years.  
For example, our voting orientation is to vote **AGAINST** if less than 50% of the board is independent for a public company.
- **Time commitment:** as a general principle, directors must attend at least 75% of meetings and not hold excessive external directorships.  
For example, our voting orientation is to vote **AGAINST** if a director holds an executive directorship outside the Group or if he holds more than 4 non-executive directorships outside the Group.
- **Diversity:** as a general principle, wider gender diversity is encouraged with at least 40% of the underrepresented gender among non-executive directors or 33% among all directors, provided that in case of lower representation we will support the local best practices.
- **Board committee independence:** specialized committees such as audit, remuneration and nominee committee should be majority independent.  
For example, our voting orientation is to vote **AGAINST** if the rate of independency of such committees is less than 50%.

## 4. Voting

### 4.2 Voting behavior (continued)

#### Remuneration policy

Companies should adopt a remuneration policy for board members and key executives consistent with market best practices.

Variable remunerations should be linked to long-term financial and ESG performance, as well as to trends in the company's intrinsic value. Quantitative criteria (growth, profitability, risk profile, etc.) and qualitative criteria (job creations, compliance, etc.) for awarding variable remuneration must be explicit.

For example, our voting orientation is to vote **AGAINST** if there are patterns of poor pay for performance (recursively assessed) or significant salary increases without an appropriate rationale or a lack of Long-Term Incentive plan.

#### Shareholder proposals

As a general principle we consider shareholder proposals an effective instrument to demand a change in policies, increased transparency and improved disclosure on material aspects of a company's business.

In the evaluating process we consider the existing circumstances, the rationale provided by the relevant company or shareholders, the possible risks and opportunities, the governance framework of the investee issuer, the availability of sufficient information, and the alignment with long-term investor interests.

We would not support shareholder resolutions that are not in the best interest of the shareholders.

For example, our voting orientation is to vote **FOR** shareholder proposals linked to ESG issues, such as climate change, human rights, human capital management, governance proposal in favor of board independence, if in the best interest of shareholders.

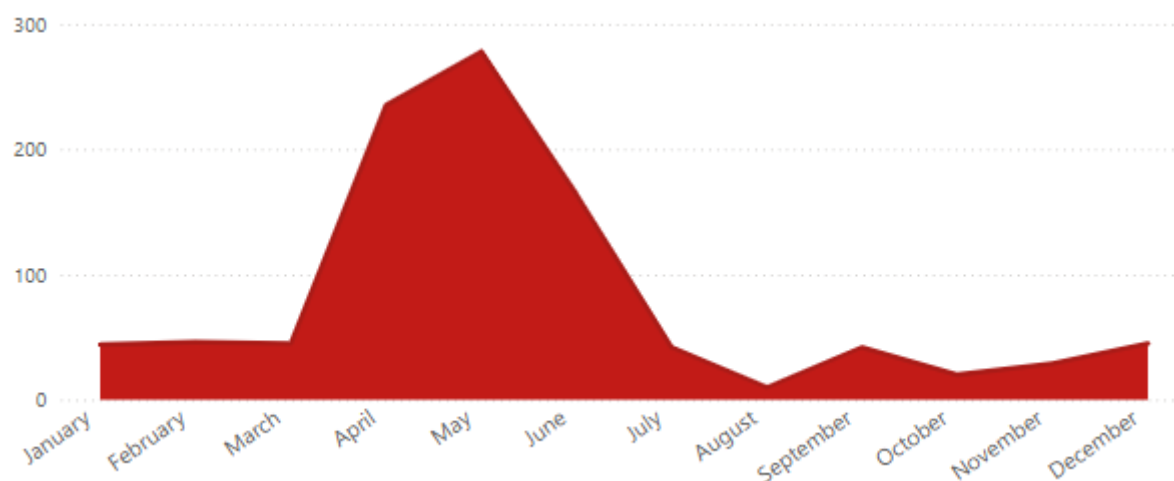
## 4. Voting

### 4.3 2024 voting season

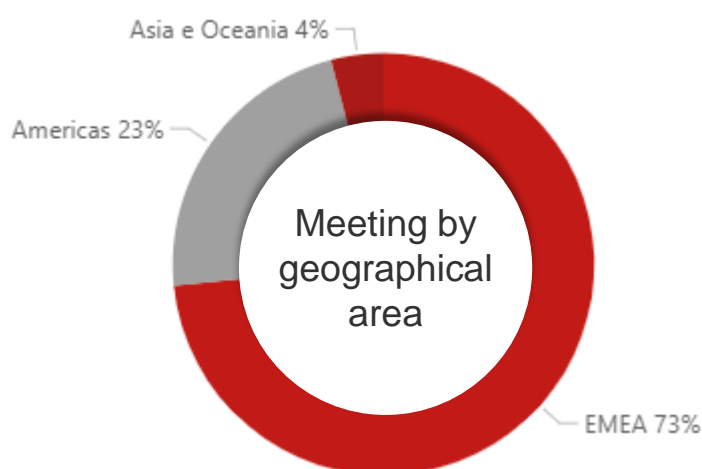
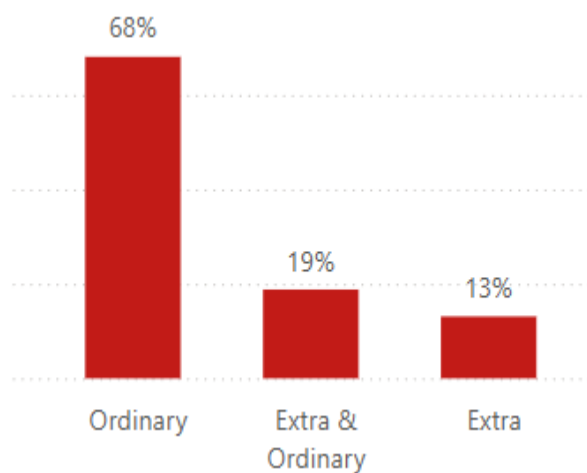
This section focuses on shareholders meetings only. Bond meetings are excluded from the total meetings attended.

We voted at **999** shareholders meetings in 2024, where we have discretionary power to vote.

#### Votes per month



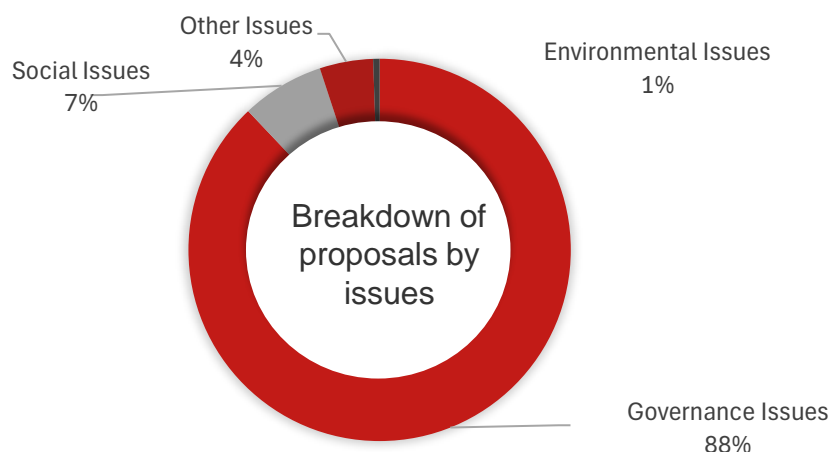
#### Meeting types



## 4. Voting

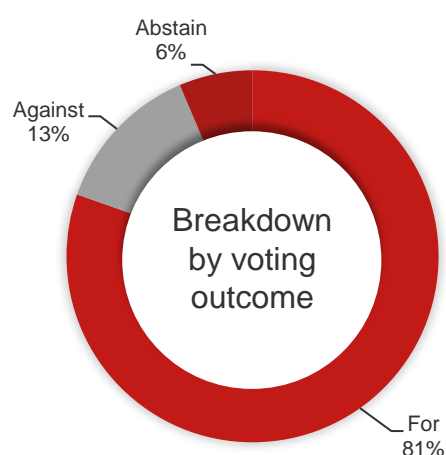
### 4.4 Figures

In 2024, we voted **14,384** proposed resolutions and we exercised **29,726** votes.

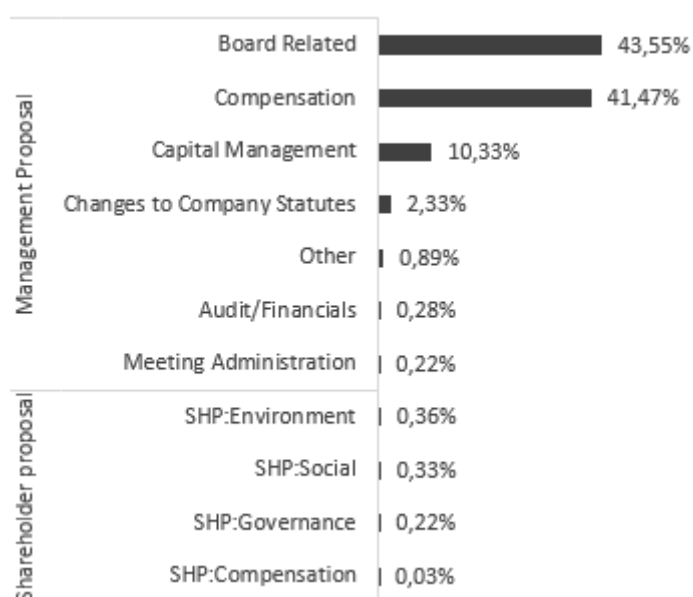


\*Social issues include compensation proposals.

\*\*Other issues include meeting administration proposals, among others.



### Distribution of «against» votes

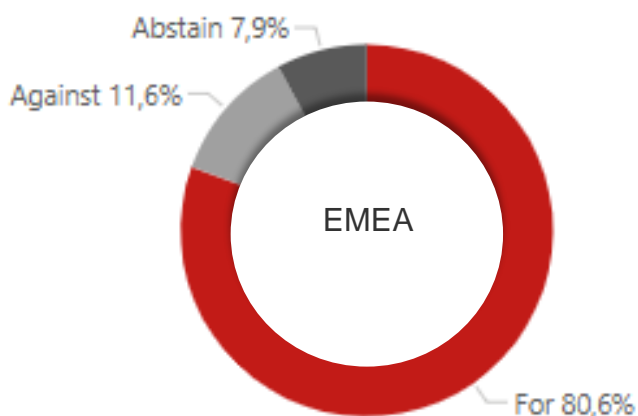




## 4. Voting

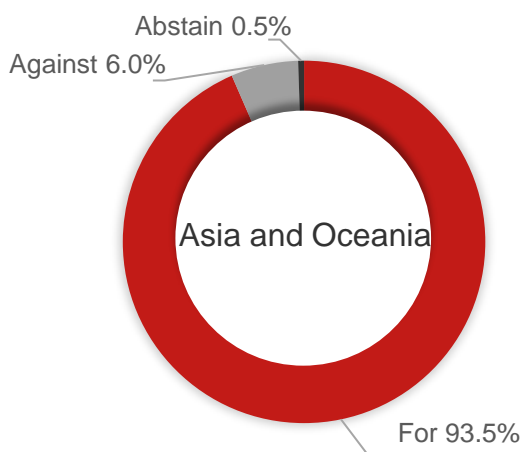
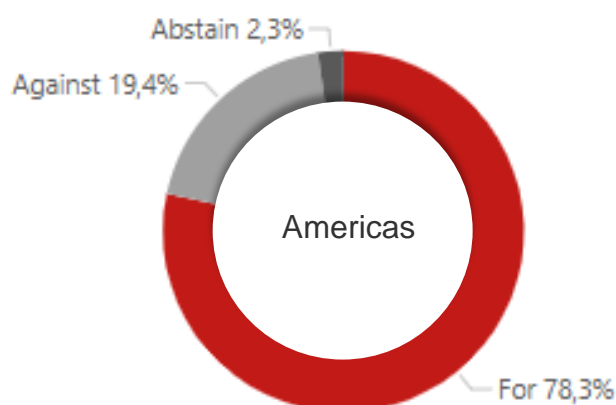
### 4.4 Figures (continued)

#### «Against» votes by Region



With a significant part of our votes casted in EMEA, this breakdown is coherent with the «global» against rate = 13%.

The data reflect the application of GenAM voting policy where remuneration, directors' time commitments and levels of board's independence require a negative vote.



GenAM voting policy allows in some cases for the application of local market practices, which require a lower rate of board independence.

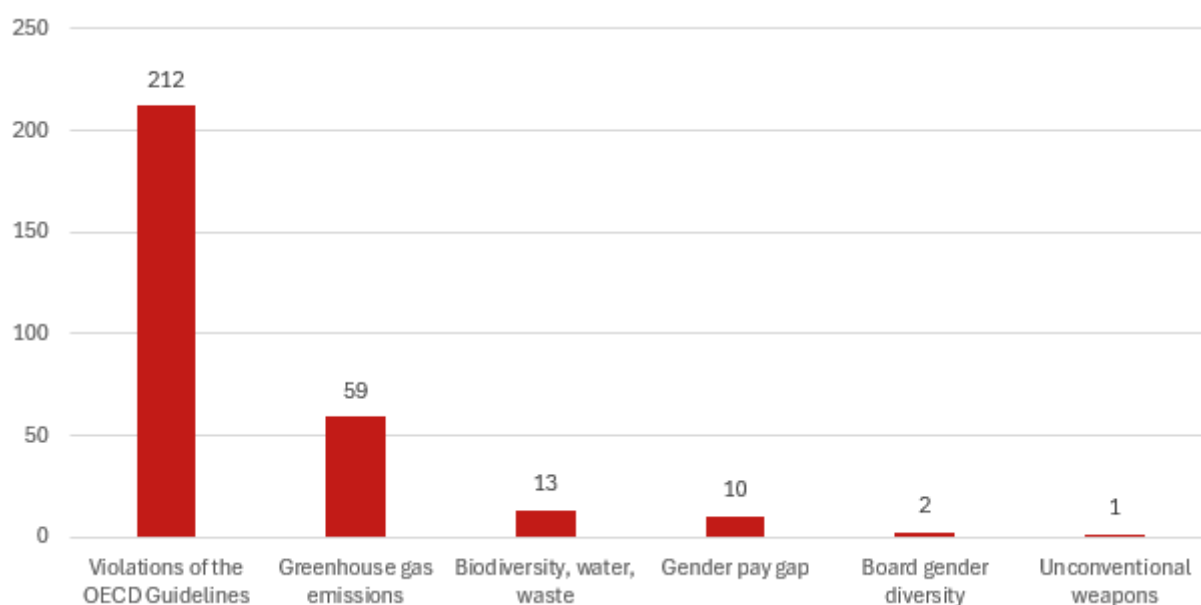
## 4. Voting

### 4.4 Figures (continued)

#### Voting by PAIs: Principle Adverse Impacts

Voting serves as a crucial mechanism to actively address and mitigate the Principle Adverse Impacts associated with investments, as outlined in the SFDR disclosure requirements.

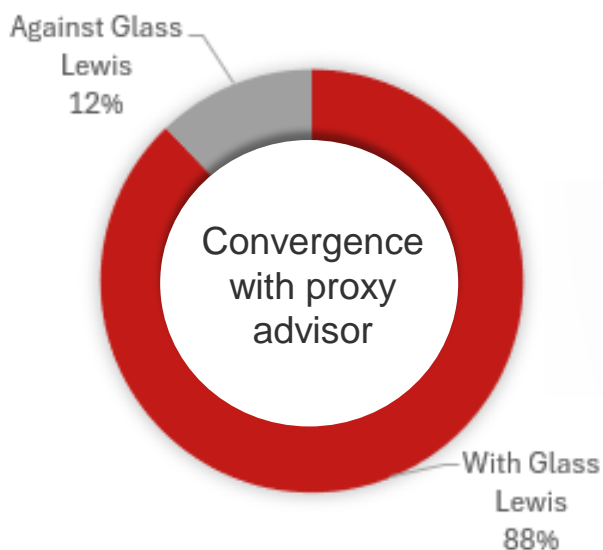
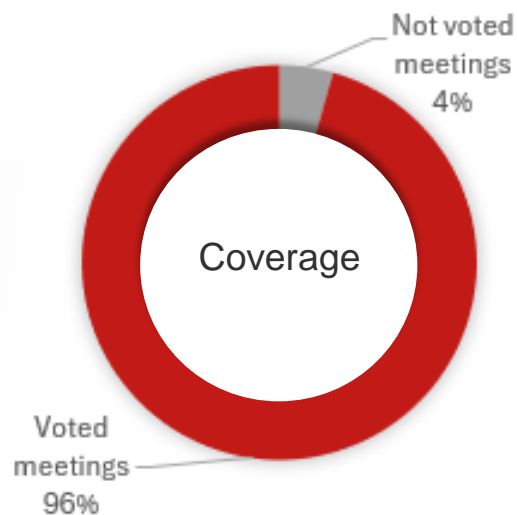
Resolutions voted:



## 4. Voting

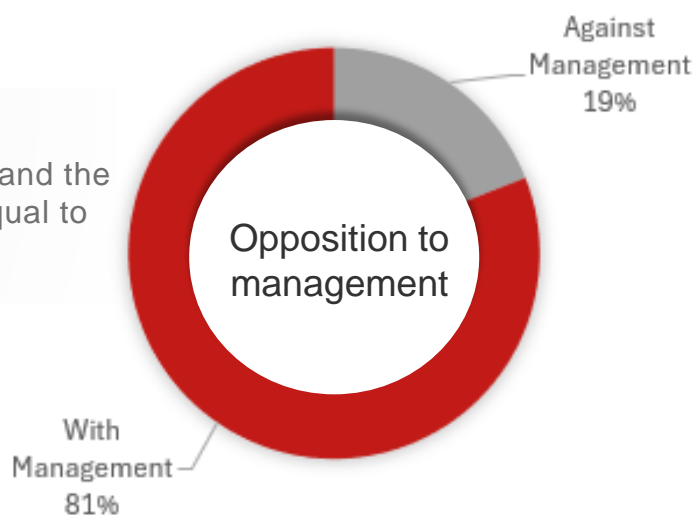
### 4.4 Figures (continued)

Overall, **96%** of votable meetings were voted.



The convergence between the votes we casted and the recommendations from the proxy advisor was equal to **88%**.

The convergence between the votes we casted and the recommendations from the management was equal to **81%**.



## 4. Voting

### 4.5 Most significant votes

In this section, we highlight the Most Significant Votes performed last year.

#### Relevance criteria for “Most Significant Votes”

In selecting “Most Significant Votes”, Generali AM considers relevant the opposition to management proposal related to core principles of Generali AM’s Engagement Policy and international best practices. Support for shareholder resolutions that have the potential to significantly impact the economy, society, and environment and are also seen as relevant by Generali AM.

These principles underlying the selection of the most significant votes, were among the most recurring and material for Shareholders’ agenda.

- **ESG Controversies**

Generali AM considers “Significant” all the meetings in which there are an ESG Controversy Alerts, which identify corporate controversies that dominated the news and that highlight potential reputational risks. In selecting the ESG Controversy we are using the cluster provided by Glass Lewis. We analyze the controversy case by case and we vote according with our voting policy and the merits of the single resolution.

- **Engagement**

Generali AM considers “Significant” all the meetings in which the issuer is engaged; the aim is to contribute to risk mitigation and creation of value for our clients, promoting companies’ sustainability and good governance by making an impact at general meetings and - also through relationship with companies - to achieve significative companies’ changes aimed to resolve potential ESG issues.

- **Environmental Resolutions**

Generali AM believes that environment-related proposals at AGMs are ‘significant votes’, since Environmental, Social and Governance (ESG) issues may impact the value and reputation of entities in which we invest.

Generally, we support credible climate transition plans, the sustainable use and protection of water and marine resources, prevention control, protection and restoration of biodiversity and ecosystems.

- **Social Resolutions**

Generali AM has the ambition to have a social contribution through its investments. We support shareholder proposals seeking additional information on how companies deal with risks caused by potential ethnic, racial and civil rights discriminations. Furthermore, this issue can affect production and result in additional costs thorough legal fines and reputational risk.

- **Election of the Board Resolutions**

Generali AM considers relevant the opposition to management proposal related to core principles of the Generali AM’s Engagement Policy and international best practices of good governance.

Boards with high corporate governance standards are better able to oversee risk management practices, challenge and support the efficacy of management's operational oversight, and generate strategic decisions. In general, we do not support resolutions that do not meet the following requirements: *segregation of functions, director and committee independence, time commitment*.

**Full list** of “Most Significant Votes” is available in the **Annex II** attached to this document.



## 4. Voting

### 4.6 Focus on Oil & Gas sector

In 2024, the energy sector faced significant challenges, including continued growth in oil demand and economic and political difficulties in the renewable sector. Geopolitical tensions increased risks, especially due to dependency on China for essential minerals and technologies.

This is why there has been a growing focus on the AGMs related to these Oil & Gas companies, with a high attention to the alignment of their strategy with the decarbonization efforts.

Generali AM participated in 53 meetings with Oil & Gas companies during the 2024 voting season, representing 42 companies. Our focus on this sector stemmed from its controversial role in sustainability and its significant environmental impact.

We adopted a case-by-case approach and highlight 5 of these meetings.

The listed companies were selected based on the following criteria: votes on directors' election, climate management proposals and climate shareholder proposals.

N.	Company Name	Meeting Date
1	Woodside Energy Group Ltd	24/04/2024
2	Repsol S.A.	09/05/2024
3	Equinor ASA	14/05/2024
4	Shell Plc	21/05/2024
5	TotalEnergies SE	24/05/2024

## 4. Voting

### 4.6 Focus on Oil & Gas sector (continued)

#### 1. Woodside Energy Group Ltd Meeting held on 24/04/2024

Management had requested **approval for the Climate Transition Action Plan. We did not support the plan** because, despite the company's robust climate-related disclosures and policies, we had some concerns, including, perceived reliance on outdated climate scenarios, emission reduction targets that were viewed as insufficient, lack of an absolute Scope 3 target.

#### 2. Repsol S.A. Meeting held on 09/05/2024

Management had requested an **advisory vote on the Energy Transition Strategy. We did not support the proposal** because, even though the company had made climate-related disclosures and policies, we believed that Repsol's strategy might not have been fully aligned with a trajectory well below 2 degrees Celsius.



## 4. Voting

### 4.6 Focus on Oil & Gas sector (continued)

#### 3. Equinor ASA Meeting held on 14/05/2024

**Bundled Issues: We abstained** since this shareholder proposal asked the company to address multiple issues together. The proposal was perceived to lack clear justification for shareholder support for all the issues and without sufficient evidence of managerial negligence.

**Divestment of All International Operations: We did not fully agree, so we abstained** from voting the shareholder proposal to divest from international operations because it required proof that the board's judgment was wrong, and that the proposal would increase shareholder value. Since no evidence of mismanagement or negligence was provided, the proposal was perceived as not in the best interest of shareholders.

**Appointment of New Board of Directors with Sustainability Expertise: We supported** this shareholder proposal as proponents expressed concerns about Equinor's continued focus on fossil fuels despite its name change and mission shift. There were worries about the extended oil production phase and the perceived lack of expertise or commitment to sustainable transition, which might have potentially led to climate-related ethical and reputational risks.

**Implementation of Energy Transition Plan: We supported** this shareholder proposal, which encouraged Equinor to consider strengthening and implementing its Energy Transition Plan, aligning it with the guidelines of the Paris Agreement.

**Becoming a Renewable Energy Producer: We expressed support** for this shareholder proposal, which encouraged the company to consider ceasing all oil and gas exploration, phasing out all oil and gas production and sales, and increasing investments in renewables and carbon capture and storage.

**Dismantling Corporate Assembly and Autonomizing the Renewable Energy Business: We did not fully agree, so we abstained** from this shareholder proposal, which suggested that the Company work towards dismantling the Corporate Assembly and making the renewable energy business an autonomous entity. We believed that management and the board typically have better information about this topic. The proponents did not provide sufficient evidence that shareholders should override the board and management's judgment or that adoption of this proposal would clearly lead to an increase in shareholder value.

**Future Appointments by the Nomination Committee: We abstained** from this shareholder proposal, which suggested that the nomination committee consider ensuring that at least 50% of board members have competency in energy transition and sustainability. We did not fully agree because there were already multiple directors on the board with expertise in environmental and social issues.

**CapEx Alignment with Paris Agreement: We supported** this shareholder proposal, which encouraged Equinor to consider strengthening and implementing its Energy Transition Plan, aligning it with the guidelines of the Paris Agreement.

## 4. Voting

### 4.6 Focus on Oil & Gas sector (continued)

#### 4. Shell Plc Meeting held on 21/05/2024

Management requested approval for the **energy transition update and the 2024 energy transition strategy**. We chose to **vote against** the proposal due to concerns about the company's environmental performance, including recent adjustments that lowered the 2030 net carbon intensity reduction target to 15-20% and removed the 45% reduction target by 2035. We were concerned about the perceived artificial achievement of Scope 3 targets, lack of transparency, no phase-out commitment for carbon-intensive assets, and insufficient green energy output targets. These changes could potentially undermine the company's long-term climate goals.

Shareholder proposal had requested that the **Company align its medium-term GHG emissions reduction targets for the use of its energy products (Scope 3) with the Paris Climate Agreement**. We **supported** the proposal encouraging the Company to align its medium-term emissions reduction targets with the Paris Climate Agreement's goals of limiting global warming to below 2°C, with efforts towards 1.5°C. We believed that the Company's current targets might fall short of this alignment and lacked clarity on how they would be achieved, potentially posing risks such as regulatory issues, market loss, legal challenges, and long-term devaluation.

#### 5. TotalEnergiesSE Meeting held on 24/05/2024.

We **supported** the **re-election of the directors**, noting that the board's decision to appoint a lead independent director appeared to align with best practices and aimed to ensure balanced governance and continuity.

We chose to **abstain** from expressing an opinion on **the Company's sustainability and climate progress report** because, while engagement with TotalEnergies suggested that the company was making relative progress on its climate strategy, such as a 9.1% reduction in emissions in 2023 and diversification of its energy mix, it had not yet fully aligned with the 1.5°C target. Additionally, we were concerned that pushing for full alignment might negatively impact the company's financial performance. We also acknowledged that TotalEnergies seemed to be on track with its short and mid-term climate objectives, and that MSCI rated the company highly for its ESG efforts, though local community disputes in Mozambique remained a concern. We will continue to monitor the company on those aspects to reevaluate the situation at the next AGM.



05

# ASSOCIATIONS AND MEMBERSHIPS



## 5. Associations and Memberships

### Introduction

Active Ownership activity involves a broad range of actors including institutional investors, asset managers, asset owners, service providers and collective engagement groups, and covers various stakeholders.

To achieve our goals as active ownership team, we rely on a whole ecosystem composed of different actors.

We work with responsible investors associations representing the interests of investors willing to act in a sustainable way. They are present at global, european and local level (UN PRI, IIGCC, FFS, FIR) and coordinating collaborative initiatives consistent with this goal (CA100+, NZEI, 30% Club, Advance, NA100+).

We are also part of asset managers associations representing the interest of the industry as a whole. They are present at european or local level (Assogestioni, AFG, EFAMA), and coordinating initiatives like for example a portfolio manager's committee supporting "Minority lists" (Voto di Lista) in Italy. At this regard, in 2024 we supported the election of independent board members in the board of Directors of 14 listed companies, including an engagement with an Italian telecommunication company jointly with other investors of the portfolio manager's committee.

We answer to non-governmental organizations (NGOs) evaluating the work of asset managers (ShareAction, Reclaim Finance).

### UN PRI

Generali AM becoming a member in 2021 (Generali Group is a member since 2011) to further demonstrate its commitment to sustainable finance as an asset manager, and particularly to the 6 Principles for Responsible Investing.

Since 2021, we actively contribute to the PRI work as a member of the PRI Stewardship Advisory Committee.

### ADVANCE (PRI collaborative initiative on human rights)

Advance is a PRI-led collaborative stewardship initiative on human rights and social issues. The initiative was launched in December 2022 with the objective to support institutional investors in protecting and enhancing risk-adjusted returns by advancing progress on human rights through investor stewardship.

### Forum per la Finanza Sostenibile

Generali AM joined the "Forum per la Finanza Sostenibile" in Italy in 2021, participating in a permanent working group on engagement addressed to members. The aim of the project is twofold: on the one side, the objective is to offer members an opportunity to discuss and exchange experiences regarding dialogue with companies invested on sustainability issues. On the other side, the aim is to facilitate the launch of joint initiatives.

## 5. Associations and Memberships

### The Institutional Investor Group on Climate Change (IIGCC)

The Institutional Investors Group on Climate Change (IIGCC) is the European membership body for investor collaboration on climate change and the voice of investors taking action for a prosperous, low carbon future. IIGCC has more than 350 members, mainly pension funds and asset managers, across 23 countries, with over €51 trillion in assets under management.

IIGCC's mission is to support and enable the investment community in driving significant and real progress by 2030 towards a net zero and resilient future. This will be achieved through capital allocation decisions, stewardship and successful engagement with companies, policy makers and fellow investors. IIGCC works to support and help define the public policies, investment practices and corporate behaviors that address the long-term risks and opportunities associated with climate change.

Generali AM joined IIGCC in December 2022.

### NetZero engagement initiative (IIGCC collaborative initiative on climate)

NZEI was set up to build on and extend the reach of investor engagement beyond the Climate Action 100+ focus list, including more companies that are heavy users of fossil fuels, contributing to demand for its products.

The objective is to help investors align more of their portfolio with the goals of the Paris Agreement, as set out by their net zero commitments. This includes the Net Zero Asset Managers (NZAM) and Paris Aligned Asset Owners (PAAO) initiatives. Under the Net Zero Investment Framework (NZIF) - the most widely utilized net zero methodology, which many signatories to these initiatives use - investors should engage, or classify as aligned, assets that account for 70% of financed emissions in material sectors.

Generali AM joined NZEI in 2023.

### Nature Action 100+

Nature Action 100+ is a global investor-led engagement initiative focused on supporting greater corporate ambition and action to reverse nature and biodiversity loss.

Investors participating in the initiative engage companies in key sectors deemed systemically important in reversing nature and biodiversity loss by 2030. It was conceived by a group of institutional investors known as the Launching Investor Group.

Generali AM joined a collaborative group of NA100+ in 2024.

## 5. Associations and Memberships

### Climate Action 100+ (collaborative initiative of PRI, IIGCC, CERES, IGCC and AIGCC)

Climate Action 100+ is an investor-led initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. 700 investors, responsible for over \$68 trillion in assets under management, are engaging companies on improving climate change governance, cutting emissions and strengthening climate-related financial disclosures. Generali Asset Management, joined Climate Action 100+ in 2021, leading, co-leading, and collaborating on the different engagements followed inside Climate Action 100+.

The work of the initiative is coordinated by five investor networks: the Asia Investor Group on Climate Change (AIGCC), Ceres, Investor Group on Climate Change (IGCC), Institutional Investors Group on Climate Change (IIGCC) and Principles for Responsible Investment (PRI). It is supported by a global Steering Committee.

Climate Action 100+ is overseen by a global steering committee that establishes initiative strategic priorities, governance and infrastructure. The committee also reviews companies that have been subject to a corporate action and decides on a case-by-case basis if they should be removed from the focus list.

Generali AM is a member of the Climate Action 100+ steering committee and has been chairing the initiative from April 2023 until April 2024.

### 30% Club France Investor Group

The 30% Club is a global campaign taking action to increase gender diversity at board and senior management levels.

Generali AM Active Ownership team joined the 30% Club France since September 2022.

### Forum pour l'Investissement Responsable (FIR)

Created in 2001, the FIR is a multi-stakeholder association whose social purpose is to promote and develop responsible investment and its best practices.

The FIR brings together all the players in the SRI field: asset owners, asset managers, financial intermediaries, extra-financial rating agencies, advisors, market organizations, trade unions, NGOs, associations as well as qualified personalities: lawyers, journalists, academics, etc.

The FIR is a player engaging with listed companies on sustainable development issues (investor briefs, thematic studies, written questions to CAC 40 general meetings, etc.) and, since 2024, with small-caps companies (Club SMID).

Generali AM joined the FIR in December 2024

# IMPRINT

Head of Active Ownership	Livio Gentilucci (livio.gentilucci@generali-invest.com)
Active Ownership team	Laura Coppola (laura.coppola@generali-invest.com) Roberta Cortesi (roberta.cortesi@generali-invest.com) Francois Humbert - Engagement lead manager (francois.humbert@generali-invest.com)
Report issued	February 2025
Source for charts and tables:	Generali Asset Management S.p.A. Società di gestione del risparmio own calculations, December 31 <sup>st</sup> 2024

<b>In Italy:</b> Generali Asset Management S.p.A. Società di gestione del risparmio  Piazza Tre Torri, 1 20145 Milano, Italy	<b>In France:</b> Generali Asset Management S.p.A. Società di gestione del risparmio  2, Rue Pillet-Will 75009 Paris Cedex 09, France	<b>In Germany:</b> Generali Asset Management S.p.A. Società di gestione del risparmio  Tunisstraße 19-23 50667 Cologne, Germany
--	---	---

[www.generali-am.com](http://www.generali-am.com)

This document is based on information and opinions which Generali Asset Management S.p.A. Società di gestione del risparmio has obtained from sources within and outside of the Generali Group.

While such information is believed to be reliable for the purposes used herein, no representation or warranty, expressed or implied, is made that such information or opinions are accurate or complete. Opinions expressed in this document represent only the judgment of Generali Asset Management S.p.A. Società di gestione del risparmio and may be subject to any change without notification. They do not constitute an evaluation of any strategy or any investment in financial instruments. This document does not constitute an offer, solicitation or recommendation to buy or to sell financial instruments. Generali Asset Management S.p.A. Società di gestione del risparmio is not liable for any investment decision based on this document. Generali Asset Management S.p.A. Società di gestione del risparmio may have taken, and may in the future take, investment decisions for the portfolios it manages which are contrary to the views expressed herein. Any reproduction, total or partial, of this document is prohibited without prior consent of Generali Asset Management S.p.A. Società di gestione del risparmio.

Generali Investments is a commercial brand including, inter alia, Generali Asset Management S.p.A. Società di gestione del risparmio, Generali Investments Holding S.p.A. e Generali Investments Luxembourg S.A.