Generali Investments Sicav (GIS)

Euro Green & Sustainable bond

May 2020

Content

GIS Euro Green & Sustainable bond

KEY FEATURES*

- Invests primarily in **Euro denominated Green & Sustainable Investment Grade bonds**
- Built on **Generali Group strong committment to Sustainability**
- Sub-fund of Generali Investments SICAV **managed by Generali Investments Partners**[1]
- Duration range: 2 - 10 years
- Benchmark: Bloomberg MSCI Barclays Euro Green Bond index
- Can use Credit Default Swap (CDS) and invest in non EUR currencies (USD & GBP)

MANAGEMENT APPROACH

- Leverages on Generali Investments' **sound expertise in managing Euro fixed income portfolios**
- **Active investment approach** focusing on the selection of Investment Grade Green & Sustainable bonds
- **Comprehensive screening process**: Ethical filter, Green bonds eligible to index and external ESG[2] risk monitoring
- Combining top-down and bottom-up analysis

The opportunity to invest in the future and make a real positive impact

[1] Generali Investments Partners S.p.A. Società di gestione del risparmio
[2] Environmental, Social, Governance

* Please note additional information on the investments guidelines are availbale on slide 27.

Why?

INVESTING TODAY FOR A BETTER TOMORROW

- To benefit from a liquid & listed Euro fixed income strategy that finances green & sustainable projects with real positive impacts on climate change & energy transition: water infrastructures, renewable energy, CO2 emission reductions…

- To rely on transparency and robustness, with the « Green » assessment totally independent from the asset manager and the issuer (« Second Party Opinons » or SPOs, carried out by external providers and/or index provider). These assessments are typically publicly available on the issuers' corporate websites.

- To build a low carbon footprint portfolio or reduce the footprint of an existing investment portfolio.

- To invest in a growing asset class that will increasingly offer diversification and relative low volatility thanks to the long term and stable nature of its investments.

Green & Sustainable bonds

What are Green & Sustainable bonds?

- **Green bonds** are used to finance climate and environmental projects (they are sometimes referred to as “climate bonds”). They are asset-linked and backed by the issuer's balance sheet.

- **Projects supported** are typically linked to alternative energy sources/production, energy efficiency, sustainable water & pollution prevention

- **Green bonds are currently a small market** and account for circa 3% of global bond issuances **BUT the universe is growing fast** (USD 167 bn new green bond issuances in 2018, USD 255 bn in 2019*.

- In 2018 the most active **countries** in terms of issuance were**:

No.1	No.2	No.3	No.4	No.5
USA	**China**	**France**	**Germany**	**Netherlands**
Amount: **USD 34bn**	Amount: **USD 31bn**	Amount: **USD 14bn**	Amount: **USD 7.6bn**	Amount: **USD 7.4bn**
Market share **20%**	Market share **18%**	Market share **8%**	Market share **5%**	Market share **4%**
Issuers: **63**	Issuers: **69**	Issuers: **12**	Issuers: **14**	Issuers: **6**

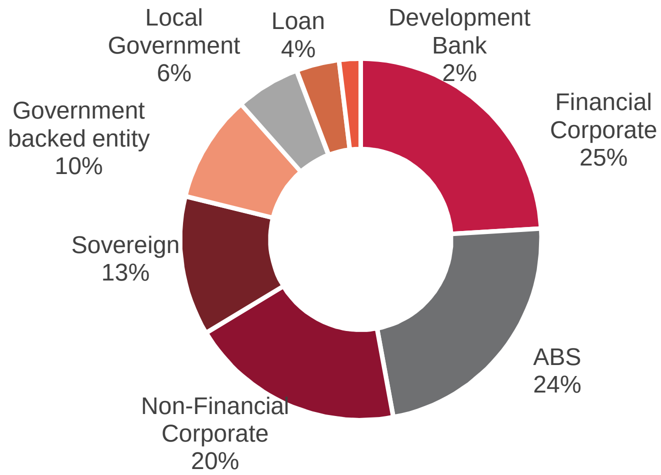
- …while the **entities issuing Green and/or sustainable bonds include Banks, Corporates, Government-backed, Supra-national/Development banks**

*Source: Climate Bond Initiative, 2020
** Source: Climate Bond Initiative, 2018 Green Bonds report

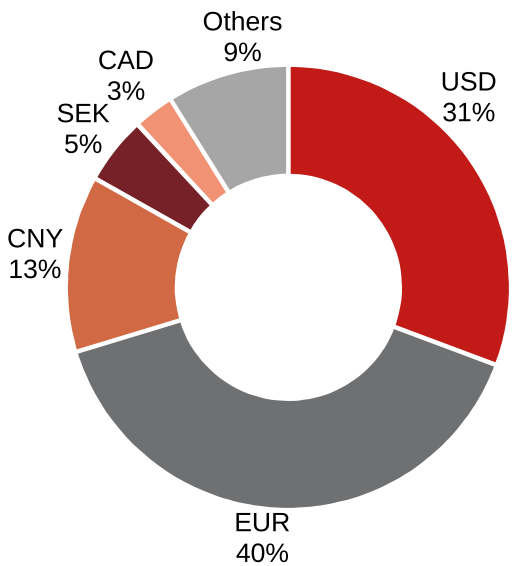
Increasing variety of issuers

- Number of issues has grown from 34 in 2014 to 333 in 2019
- Europe and North America are the main issuing areas
- Euro was the most popular currency by volume in 2018
- Index components were added (Securitised bonds, Asset Backed Securities…)

Corporate bonds represent 45% of the market
(as of 31/12/2018)



Green bond issuances by currency
(as of 31/12/2018)



Cumulative regional bond issuance since 2007
(as of 31/12/2018)

Region	Green bond markets	Issuers	Amount issued (USD Bn)
Africa	4	11	2
Asia-Pacific	18	222	120
Europe	22	193	190
Supranationals	-	11	66
Latin America	7	24	7
North America	3	167	137

Note: Cumulative data as of 31 December 2018

Source of all the charts : Green bonds the state of the market 2018, published in 2019

A fast growing & changing market

- **Rising demand & growth in issuances expected in 2020**
  - Strong investor demand, government & corporate focus on addressing climate change and meeting Paris agreement objectives
  - Contribution from new sectors (circa 30% of the supply from debut corporate issuers) and of new issuers (+215 in 2019 so far) on the rise*
  - From supranational development banks, the Green bond market has become increasingly diverse in terms of sector, region and use of proceeds.

- **Drivers of demand: Green bond supply will rise if ‘real economy’ green expenditures rise, and as**
  - Governments and corporates commit new funds for green projects, on the back of the Paris agreement (COP 21 in 2015) and ensuing commitments: EU Commission’s “European Green Deal” announced in December 2019, ECB’s potential revised policy,…
  - Green technology falls in cost, making it cost effective to install without state subsidies
  - Carbon price rises further and new carbon price regimes are introduced.

- **Regulation**
  - EU Green Bond Standards (« EU GBS ») emerging as part of the EU Commission’s action plan on Sustainable Finance - proposal in June 2019, with a transition period of 3 years and Accredited « Verifiers » to become key parties.

- **Credit rating agencies moving ahead on ESG analysis**
  - Moody’s, S&P and Fitch rolling out ESG approaches and scores for some issuers.

*Source: Crédit Agricole CIB, Green finance forecast for 2020, December 2019.

Why Generali for Green bonds?

A strong committment to sustainability and climate issues

2006 – Generali Group Ethical Filter*

2007 – Generali Group is a signatory of the UN Global Compact

2011 – Generali Group becomes a UNPRI signatory (Principles for Responsible Investment)

2015 – COP21 in Paris

2018 – Generali Group Climate Strategy

2019 – Generali Group issues its 1st Green bond

2020 – Generali Group joins the UN Net-Zero Asset Owner Alliance

- Ethical Filter & ESG controversies' monitoring in place since 2006
- Generali Group's commitment to Green bond financing made in early 2018
- Generali Group supports a "Just transition", with a focus on climate change remediation / mitigation and social impact
- Generali Group reinforces its role as a responsible player in the Finance industry and joined the United Nations Net-Zero Asset Owner Alliance, a group of 18 pension funds and insurers committed to decarbonizing their portfolios to net-zero emissions by 2050.

*Applying the Group Ethical Filter is part of the discretionary evaluation of the investment manager and the results of such evaluation are confidential.

Why Generali Investments for Green bonds?

Proven expertise in fixed income investments

- Sound competences in managing Euro Fixed Income portfolios, with EUR 405 bn in AUM*
- A bespoke investment process combining external and internal analysis
- Experienced management team actively managing the portfolio

Mauro Valle, CFA

Head of Fixed Income,
Lead Fund Manager

- 24 years of experience
- Joined Generali Group in 1994. Mauro is Head of Fixed Income at Generali Investments Partners since October 2018. Before, he was Portfolio Manager of Third Party government bonds portfolios.
- Previously, Mauro worked at Banca Commerciale Italia (now Intesa Sanpaolo) in Milan and JP Morgan Asset Management in London.
- Education: Master in Business Administration, Clemson University (S.C., USA) and a Degree in Economics, University of Trieste; CFA Charterholder.

Mauro is rated «A» by Citywire as manager of the GIS Euro Short Term Bond and GIS Euro Bond 1-3 years sub-funds

Fabrizio Viola, CFA

Fixed Income Portfolio Manager, Deputy Fund Manager

- 19 years of experience
- Joined Generali Group since June 2002. Fabrizio manages corporate bond portfolios for third party clients and mark-to-market products.
- Previously, he worked for IBM Global Services in Milan, finance department.
- Education: MBA, MIB School of Management, Trieste. Degree in Economics, University of Udine; CFA Charterholder.

*Source: Generali Investments Partners S.p.A. Società di gestione del risparmio, data as at May 2020.

GENERALI INVESTMENTS

How we build the portfolio

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Defining the investment universe & portfolio construction

Investment universe definition

Step 1
Ethical screening

Generali Group Ethical Filter*

Exclusion of controversial issuers

Step 2
Green bond screening & ESG monitoring

Bloomberg MSCI Barclays Euro Green Bond Index

✓ Green Bond Principles applied to index

✓ Controversial projects & sectors excluded

ESG Risks Monitoring

(Sustainalytics)

Step 3
Portfolio Construction

- **Fixed Income Allocation Decisions**
- **Interest rate management**
- **Credit selection**

Green & Sustainable Bond Portfolio

Research Inputs

Internal Macro Sovereign Monitor

Internal & External Credit Research Views

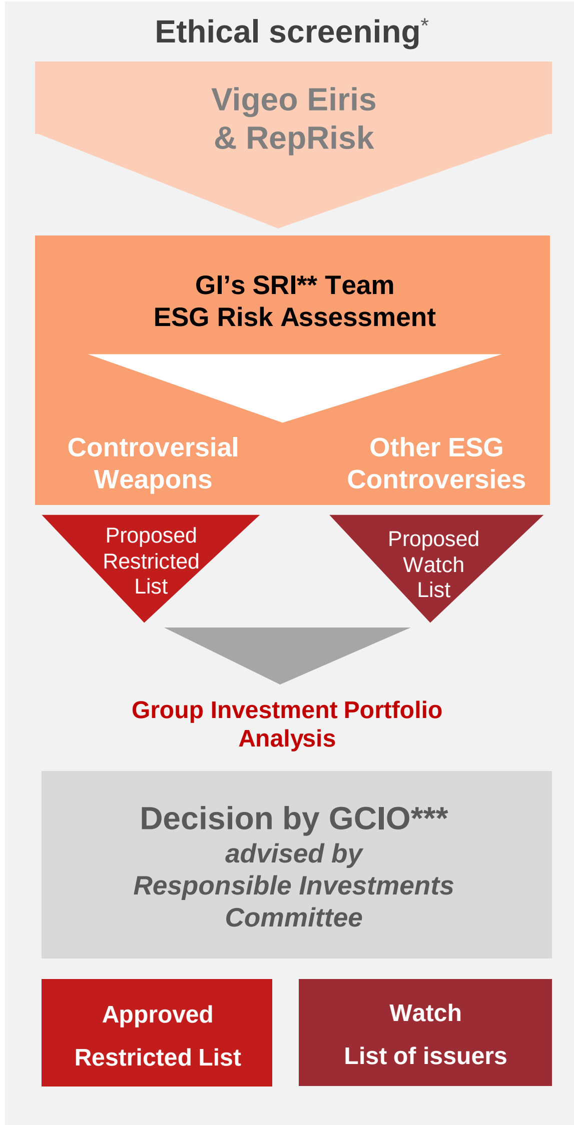
*Applying the Group Ethical Filter is part of the discretionary evaluation of the investment manager and the results of such evaluation are confidential.

Step 1
Proprietary Ethical screening

We **exclude issuers** when presenting a **high ESG investment risk**:

- involved in the production of weapons violating fundamental humanitarian principles (antipersonnel landmines, cluster bombs and nuclear weapons)
- involved in severe environmental damages
- involved in serious or systematic violation of human rights
- implicated in cases of gross corruption
- significantly involved in coal-sector activities

The universe is monitored on an **ongoing basis and a daily news update is active. This global filter relies on the ESG monitoring services carried out by our external providers, Vigeo Eiris (now part of Moody's) and RepRisk, with the analysis carried out internally.**



*Applying the Group Ethical Filter is part of the discretionary evaluation of the investment manager and the results of such evaluation are confidential.
** Socially Responsible Investments
*** Group Chief Investment Officer
Source: Generali Insurance Asset Management S.p.A. Società di gestione del risparmio, as of May 2020

Step 2 (1/2)
Green Bond screening & index (by MSCI ESG Research)

- Bonds within the Barclays Bloomberg MSCI Euro Green bond index are evaluated based on 4 Green Bond Principles:

Green Bond Principles			
Use of proceeds	Green project evaluation and selection	Management of proceeds	Reporting on the environmental performance of the use of proceeds

- Bonds are classified into one of themes according to the MSCI ESG Research Green Bond taxonomy, including:

Alternative energy	Energy efficiency	Pollution prevention	Sustainable Water	Green building	Climate Adaptation	Other

- Securities must be rated Investment Grade (Baa3/BBB-/BBB- or higher)*
- Fixed rate coupon with a minimum amount outstanding: EUR 300 m
- Senior & subordinated issues included
- Excluded: Cocos, bonds with equity type features (eg. convertibles), inflation linked bonds, private placements…
- A bond will be considered for the index even if it is not explicitly marketed as green but satisfies the above index criteria

*Using middle rating of the 3 major rating agencies (Moody's, S&P and Fitch)

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Step 2 (2/2)
ESG monitoring through Sustainalytics

- **ESG Risk Ratings - Approach**

- Sustainalytics' ESG rating and scoring is based on multiple assessments, considering risks at both ESG Issue level and at the overall level
- Assessment focuses on ESG issues presenting the most material risks to a company's results.

- **ESG Risk Ratings - Output**

- Company ratings are categorised across 5 risk levels: negligible, low, medium, high and severe
- Material ESG issues are identified
- A company's risk is measured against its industry peers and against the global universe. ESG exposure assessment is driven by sub-industry and company-specific factors
- The magnitude to which a company is exposed to ESG Risk and how well the company is managing that risk is measured and explained

EXPOSURE ASSESSMENT

- Sub-industry Exposure Assessment
- Beta Assessment
- Issue Exposure Score Calculation

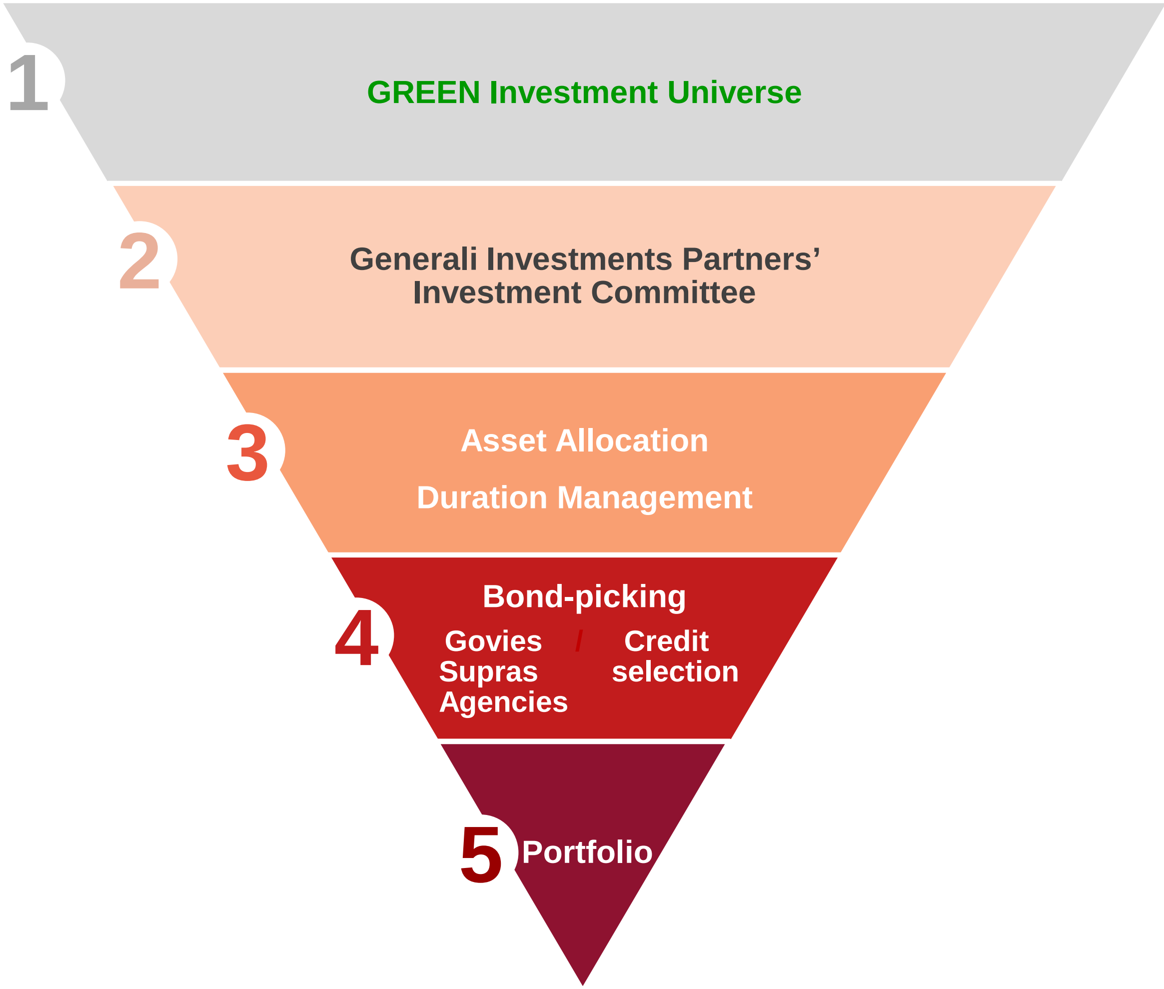
MANAGEMENT ASSESSMENT

- Indicator Selection
- Indicator Disabling
- Indicator Weighting
- Indicator Assessment
- Issue Management Score Calculation

UNMANAGED RISK ASSESSMENT

- Manageable Risk Assessment
- Managed Risk Assessment
- Unmanaged Score Calculation

Step 3 (1/4)
A comprehensive approach to portfolio active bond selection & construction



Step 3 (2/4)
Portfolio construction - Fixed Income Allocation Decisions

- The portfolio construction for the **GIS Euro Green & Sustainable Bond** fund starts with the management of the exposure of the portfolio to the different asset classes in the fixed income space:

FIXED INCOME ALLOCATION

Assets selected	Management of:
Govies	Portfolio duration
Supranationals & Agencies	Country exposure
Corporate bonds	Average rating
Others (i.e: Securitizations)	Sector distributions

The objective is to build a portfolio with an appropriate balance between risk and expected returns

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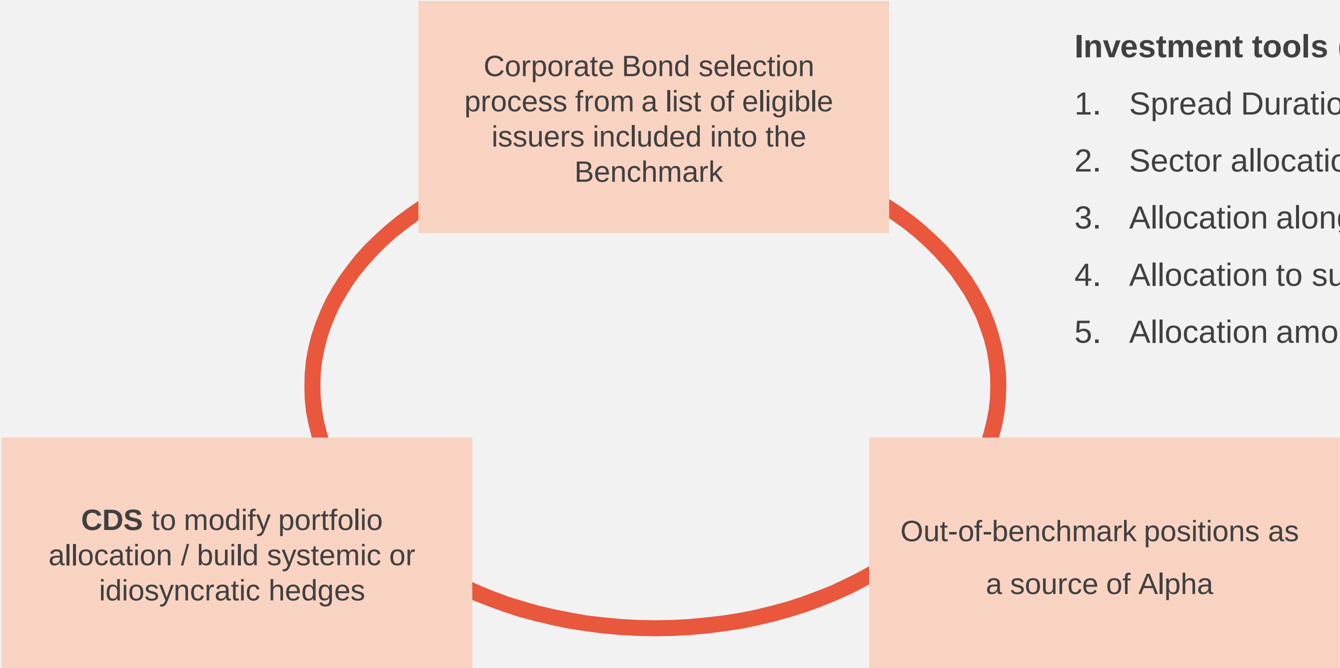
Step 3 (3/4)
Portfolio construction - Interest rate management

PORTFOLIO		
Yield Curve Positioning	**Duration Management**	**Country risk exposure**
▪ **Yield curve positioning** through over/underweight different maturities' buckets to implement bullet or barbell strategies	▪ **Portfolio's duration management** through over /underweight benchmark's duration based on interest rate forecasts	▪ **Country risk exposure** through duration over /underweight, depending from various factors as fundamentals, spreads and relative value

The result is a portfolio with an integrated approach to interest rate risk

Step 3 (4/4)
Portfolio construction - Corporate Bond Selection



Investment tools (ranked by importance):

1. Spread Duration
2. Sector allocation
3. Allocation along the yield curve
4. Allocation to subordinated paper
5. Allocation among rating bucket

- The Portfolio Manager focuses on **Duration Times Spread (DTS)*** differential to clearly identify the risk-adjusted positioning of the portfolio vs. benchmark with respect to the individual corporate bond issuers.
- The same methodology is also used to aggregated variables such as rating and maturity buckets, subordination levels and credit sectors (i.e. to control and position the Fund's ex-ante TEV)
- DTS methodology is also necessary to control the portfolio's behaviour over time and to simulate "What-if" scenarios for a possible trading activity

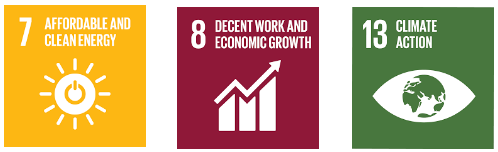
*See appendix for further details

Example

Ørsted

COMPANY’S OVERVIEW & GREEN CREDENTIALS

- Ørsted is a Danish upstream power and heat producer, mainly offshore wind, majority owned by the Danish state
- Ambitious targets, such as the goal to reach a 99% renewables share in its energy production by 2025
- Eligible technologies are in the category “renewable energy” in the form of offshore wind power projects (financing or re-financing a pool of eligible projects)
- 3 UN Sustainable Development Goals (SDGs) covered by Orsted’s Green bond framework:



SUSTAINALYTICS’ ESG RISK RATING & ANALYSIS

- **ESG Risk Rating:** 22.6/100 - Medium Risk
- **Corporate Governance Rating:** 3,4/10 - Low Risk
- **Carbon-Oil usage:** Low Risk and no product related controversies

INTERNAL & EXTERNAL CREDIT RESEARCH VIEWS / INPUTS

- **Creditsigths**: CS Rating AA stable. Market Perform recommendation as of Jan 2020
- **Business Plan:** DKK200 bn Capex over 2019-25 with 75/85% going to offshore wind and 15/20% to onshore wind
- **Sustainable Strategy**: grow renewable capacity to 30GW by 2030 maintaining sound financial credit profile. Official rating by **Moodys/S&P: Baa1/BBB+**

FUND MANAGERS VIEWS/ANALYSIS, DECISION OF BUYING

- **ØRSTED 1 ¾ 12/09/3019 is an hybrid bond issued in Dec. 2019 at 185 bps over the 8 year swap rate** (the first call date)
- Hybrid Corporate Bond as one of the preferred asset classes within the corporate universe
- Ørsted is one of the most robust names within Utilities
- 145 bps of spread differential with Senior bond, with same duration profile
- The Green pledge and committment is a further enhancement as Green bonds are well supported by investors’ demand

GENERALI INVESTMENTS

Research Inputs

Internal Macro Sovereign Monitor

1. Anchor score

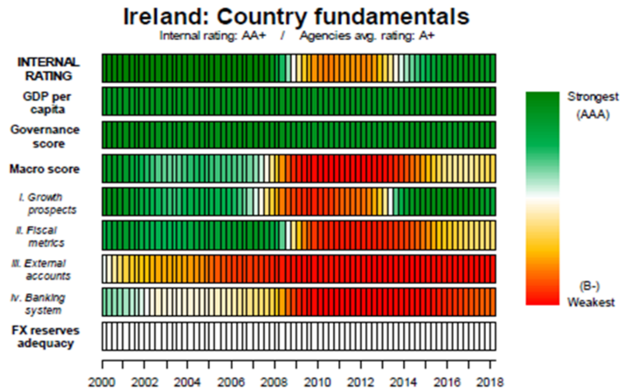
- **Initial score assigned to the country** (16 rating classes, AAA to B-), based on GDP per capita (at Purchasing Power Parity) and Governance Score
- Governance score summarising all soft indicators, including politics, based on external public sources (World Bank, Fund for Peace, others)
- Subjective adjustment only under exceptional circumstances

2. Macro score

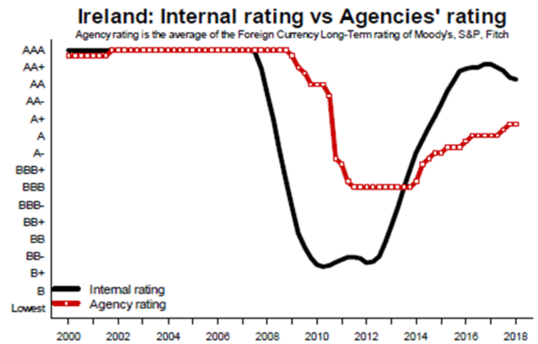
- Based on **4 pillars**: Growth prospects, Fiscal metrics, External accounts, Banking system
- Variables are combined, with penalties for countries with large imbalances
- **Reserve-currency countries** (USD, EUR, JPY, GBP, AUD, CAD, CHF) receive a rating uplift (function of share of global FX reserves and size of the country)

3. FX Reserves Adequacy

- Applied only to countries which do not have a reserve-currency status
- Applies also to “dollarised” economies (those that have adopted a currency not under the control of their Central bank)
- The adjustment to the rating is asymmetric: non-linear increase in default risk when FX reserves decline



✓ *Breakdown of macro score shows the* ***areas of strength and weakness***



- Internal rating **trend** provides valuable info re the momentum in creditworthiness
- **Turning points** could signal buying/selling opportunities
- **Comparison with agencies’ ratings** provides further relevant information

Screenshots for illustration purpose - Source: Generali Insurance Asset Management S.p.A. Società di gestione del risparmio

Research Inputs

The proprietary credit research*

A team of 18 analysts, specialised by sector and based in Paris, Milan and Trieste

- Assign internal credit ratings and set internal credit limits
- Play an important role in the creation of credit model portfolios
- Deliver crucial analytical support to develop internal models
- Regularly review the credit portfolio holdings, typically consisting of more than 100 issuers, for events that might affect their views
- Organise regular meetings with issuers' top management

Issuer Risk Analysis

BUSINESS RISK

- Country risk
- Industry characteristics
- Company competitive position
- Peer group analysis

FINANCIAL RISK

- Accounting
- Financial policy
- Profitability & cash flow
- Capital structure
- Liquidity

Probability of default

Where on the capital structure are we?

Recovery analysis

Relative value analysis

RECOMMENDATION

Source: Generali Insurance Asset Management S.p.A. Società di gestione del risparmio, data as of May 2020
* The Credit Research team belongs to Generali Insurance Asset Management

Risk management

- Risk Management comprises **performance measurement** and **risk control** and is fully integrated in the investment process
- It provides **daily inputs to Portfolio Managers** along with **ex-ante analysis** (eg. VaR, simulation of portfolios' behavior in different scenarios, expected yield) and **ex-post risk profile measurements** (tracking error and tracking error volatility, turnovers, risk and return ratios)
- Data is shared through a **single IT infrastructure** as a central source of information
- A risk platform is used to run various analyses such as:
  - Stress testing
  - VaR measurement
  - Risk sources analysis
  - Delta adjusted market exposures
  - Sensitivities

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In a nutshell...

- Invest in the future and diversify your long term core portfolio with a differentiating & positive impact bond strategy

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Portfolio data

Portfolio composition (as of 31rst of May 2020)

- Neutral duration vs the benchmark (-0.07 years)
- Higher portfolio (option adj) spread (32 bps) vs. the index
- YTM of around 0.54%
- The portfolio has currently 90.6% invested in green & sustainable bonds, while the remaining 9.4% is invested tactically outside the benchmark to increase yield and expected performances.
- The portfolio is overweighted in BBB bonds and underweighted AAA-AA –A bonds, Secured, Unsecured and Junior Subordinated.

MSCI EURO GREEN BOND INDEX	Portfolio	Benchmark	Delta
Option Adj Duration	8.78	8.84	-0.07
Option Adj Spread (bps)	59.25	40.40	18.85
Yield to worst (%)	0.54	0.32	0.22
Average Rating	A	A	

RATING (%)	Portfolio	Benchmark	Delta
AAA	11.51	20.35	-8.84
AA	19.14	30.11	-10.98
A	26.05	28.67	-2.62
BBB	40.52	20.43	20.09
BB	0.00	0.44	-0.44
Bond Future	*0.00*	-	*0.00*
Cash	2.78	-	2.78
TOTAL	**100.0**	**100.0**	

Subordination (%)	Portfolio	Benchmark	Delta
Senior Unsecured	63.01	62.25	0.76
Senior Non Preferred	10.24	5.04	5.20
Unsecured	8.37	19.05	-10.68
Senior Preferred	6.78	5.25	1.52
Secured	4.53	5.18	-0.65
Subordinated	3.10	0.81	2.29
Jr Subordinated	1.19	2.42	-1.23
Bond Future	*0.00*	-	*0.00*
Cash	2.78	-	2.78
TOTAL	**100.0**	**100.0**	

Source: Generali Investments Partners S.p.A. Società di gestione del risparmio, data as of 31rst of May 2020.

Fund features & Investment guidelines

Benchmark	**Bloomberg MSCI Barclays Euro Green Bond Index**
Investment guidelines	▪ **At least 70% of its AUM in Green and Sustainable Bonds denominated in Euro, with IG rating** ▪ Max 30% in Money Market Instruments and bank deposits ▪ Max 10% in convertible bonds ▪ Max 10% of equity following the conversion for a period of 3 months maximum ▪ Max 10% of contingent convertible bonds ("CoCos") ▪ Max 10% of Securitised debt with IG Rating ▪ Max 30% of non Euro exposure ▪ Max 100% of standardised CDS
AUM	EUR 44 m (as of 31/05/2020)
Duration	• 8.78 (as of 31/05/2020)
Gross Yield	• 0.54% (as of 31/05/2020)
Average credit quality	• A (as of 31/05/2020)
Diversification	• By country (ex. Eurozone) • By issuer (non EUR supras/development banks) • By currency (though hedging possible)

Source: Generali Investments Partners S.p.A. Società di gestione del risparmio.
Past performance provides no guarantee for the future. No express or implied liability or guarantee is assumed that the future performance will correspond to the performance described above

Appendices

Proprietary macroeconomic analysis

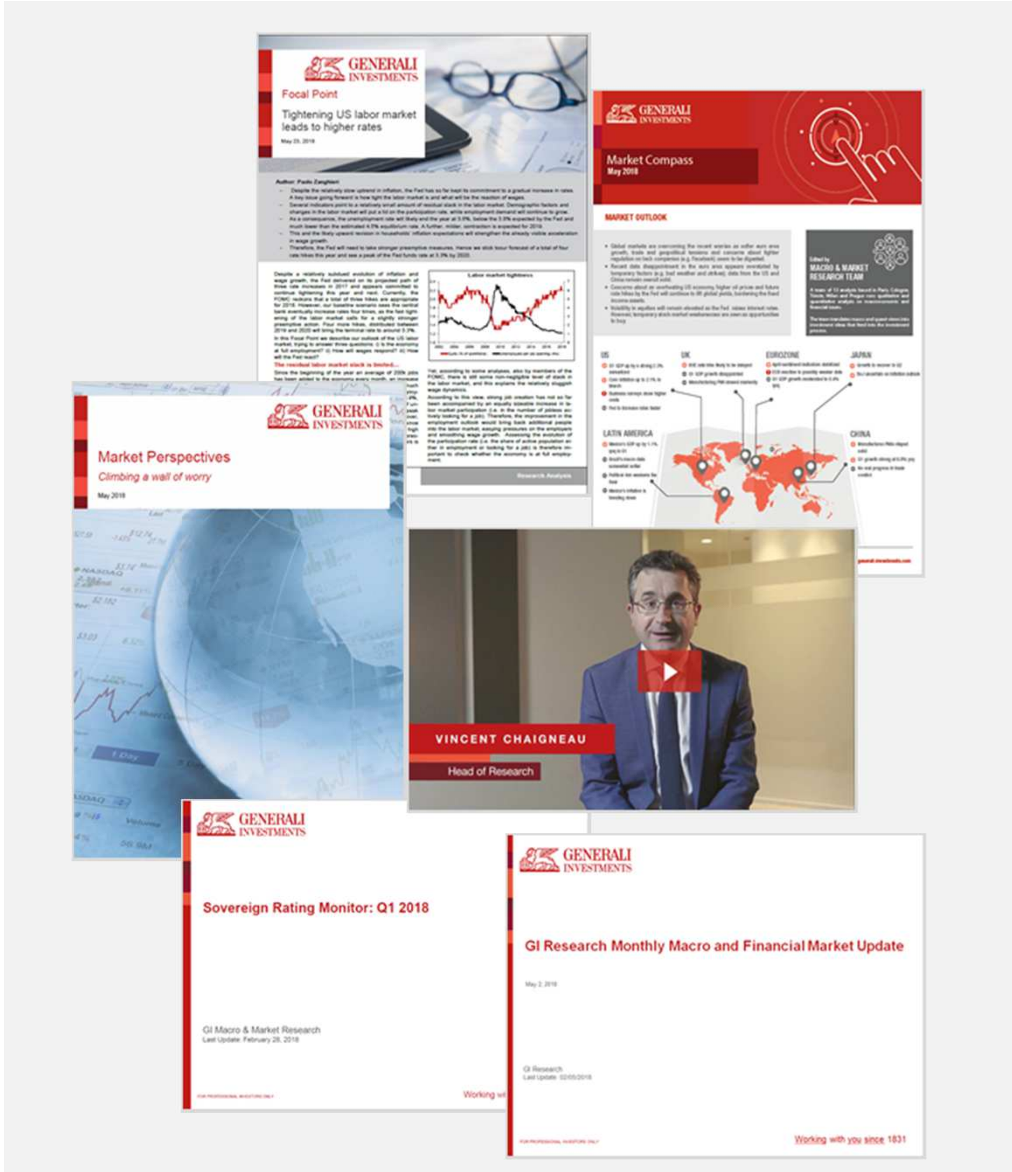
A team of 13 analysts based in Paris, Milan, Cologne and Trieste runs qualitative and quantitative analysis on macroeconomic issues, providing forecasts on financial markets' trends and macroeconomic outlook.*

Inputs provided to the Investment Committee:

- Quarterly and monthly Committee
- Quarterly and monthly research notes on macro outlook
- Asset classes estimated returns over 1, 3 and 12 months

Quantitative supports developed on the basis of market trends:

- Internal sovereign rating model
- Public debt sustainability model



*All these activities are carried out by Generali Insurance Asset Management S.p.A. Società di gestione del risparmio
Screenshots for illustration purpose - Source: Generali Insurance Asset Management S.p.A. Società di gestione del risparmio, May 2020

Generali Investments credit research team[1]

Vivek Tawadey
Head of Credit Research

Technology, Media &Telecommunications
Francesca Vento

Co-deputy heads of Credit Research team

Utilities
Herve Gay
Debashish Gogoi

Industrials, Cyclicals & consumers
Fabio Rumiz

Industrials, Materials, Cyclical
Francesco Cervi
Alessandro Carraro
Barbara Pastorelli

Food, Beverages, HPC & Tobacco
Sarah Nicolini

Banks / Financials
Xavier Got
Alessandro Musto
Cornelius Hinzmann

ABS
Alessandro Bergamo

Leverage Finance, HY, Pharma & Real Estate
Marie Baetz
Michael Birnbach

[2]**Switzerland**
Vera Bonte

[2]**Central & Eastern Europe**
Ludmila Kerkova
Dagmar Hlavacova
Alla Pakhomova

[1] The Credit Research Team belongs to Generali Insurance Asset Management S.p.A. Società di gestione del risparmio
[2] Generali CEE and Fortuna Investment SA Research teams

Duration Times Spread definition

Duration Spread Calculation

Definition and aim:

- The **duration times spread differential** is the difference between the portfolio duration adjusted spread vs the benchmark duration adjusted spread. It could be calculated for each portfolio
- It gives an indication of the **risk-adjusted beta of the portfolio vs the benchmark**
- The most granular variable is the Issuer: we consider this as the smallest entity having specific characteristics and proper risk-volatility parameters
- Duration times spread differential could also be calculated for macro-variables like rating and maturity buckets, subordination levels and credit sectors

Duration Times Spread Differential Model is useful to:

- Build efficient portfolios with an adequate number of assets (reduce associated trading costs and avoid costly turnover)
- Control ex-ante Tracking Error and volatility against benchmark
- Implement tactical plays, controlling the relative weight of each bet and detecting the reasons of specific over-under performance in each period
- Implement “what-if” scenarios in case of change of asset allocation

The Fixed Income Team*

Mauro Valle Head of Fixed Income, CFA ***Lead Fund Manager***	▪ In Generali Group since 1994, Mauro is Head of Fixed Income at Generali Investments Partners SpA Società di gestione del risparmio since October 2018, before he was portfolio manager of Third Party government bonds portfolios. Previously he worked at Banca Commerciale Italia (now Intesa Sanpaolo) in Milan and JP Morgan Asset Management in London ▪ Industry experience: 24 years ▪ Education: Master in Business Administration, Clemson University (S.C., USA) and a Degree in Economics, University of Trieste; CFA Charterholder
Fabrizio Viola Fixed Income Portfolio Manager, CFA ***Deputy Fund manager***	▪ In Generali Investments since June 2002, Fabrizio manages corporate bond portfolios for third party clients and mark-to-market products. Previously he worked for IBM Global Services in Milan, finance department ▪ Industry Experience: 19 years ▪ Education: MBA, MIB School of Management, Trieste. Degree in Economics, University of Udine; CFA Charterholder
Eric Domergue Fixed Income Portfolio Manager	▪ In Generali Investments since November 2015, Eric started his professional career as a Quantitative Analyst and then as market maker on European debt at Crédit Agricole Group, Corporate & Investment Banking division, where he worked until 2001. From 2001 to 2005, he managed convertible bonds and credit hedge funds at NAM; From 2005 to 2009 he worked at Dexia (Brussels), as credit arbitrage trader and then as head of "Financial & Corporate Trading" team, between Paris and Dublin. From 2009 to 2013 he was head of Fixed Income at Covéa Finance, while, from 2013 to 2015, he had the same role at Federis Gestion d'Actifs (Paris). ▪ Industry Experience: 25 years ▪ Eric Domergue holds a Bachelor Degree in Statistics Sciences applied to Economics and Finance from Denis Diderot (Paris VII) University and a Master in Finance from ESCP Europe
Alessandro Businaro Fixed Income Portfolio Manager	▪ In Generali Investments since December 2013, Alessandro works as convertible bond asset class specialist in the Fixed Income Third Party Investments Team. Since 2017 he co-manages the two convertible bond funds. From 2013 until 2016 he worked in the Risk Management department between Trieste and Paris as a Portfolio Risk Officer, responsible for the monitoring of fund's performance and risk indicators ▪ Industry experience: 5 years ▪ Education: He holds a Master degree in Economics and Business Administration, University of Padova and an International Master in Economics and Finance, Ca' Foscari University of Venice

*The Fixed Income Team belongs to Generali Investments Partners

The Fixed Income Team*

Stefano Perin Fixed Income Portfolio Manager, CFA	▪ In Generali Investments since July 2004, Stefano is responsible for credit investments in Absolute Return portfolios. Since 2007, he is the portfolio manager of the GIS Total Return Euro High Yield. Previously he worked as asset specialist on High Yield credit for Generali Group companies and as a junior Fixed Income portfolio manager at the Generali Group's proprietary desk based in Dublin ▪ Industry experience: 15 years ▪ Education: Degree in Banking and Finance, University of Udine; CFA Charterholder
Stefano Fiorini Portfolio Manager Fixed Income & Forex	▪ In Generali Investments since 2004, Stefano manages global fixed Income and co-manages balanced portfolios. He is in charge of the forex and emerging rates strategy. He also managed absolute returns and in the past global macro funds at Generali. He started his professional career in 1996 as a Broker in Cantor Fitzgerald International in London. From 1999 until 2001 he was Trader in money market and forex at Mizuho Trust & Banking in Luxembourg ▪ Industry experience: 21 years ▪ Education: MBA at Kenan-Flagler Business School - The University Of North Carolina; Bachelor of Science in Economics, University of Florence
Josep Maria Comalat i Gisbert Fixed Income Portfolio Manager	▪ In Generali Group since 2015, Josep is a Fixed income Portfolio Manager of Generali Investments since March 2017. From 2015 until 2017 he attended the Global Graduate Program of Generali Group working also for the Risk Management and Investments teams (Alternative Fixed Income and Fixed Income Third Party) of Assicurazioni Generali. Before, he worked in the Corporate and Management Services department of Alter Domus Luxembourg SA and in MIMASA as administrative account ▪ Industry experience: 6 years ▪ Education: Bachelor in Business Administration and MSc in Finance at ESADE Business School, Barcelona. MSc in Insurance Management at MIB Trieste Business School, Trieste. He is currently a CFA II Level Candidate (June 2018)
Massimo Spagnol Fixed Income Portfolio Manager	▪ In Generali Investments since July 2010, Massimo works as fixed income portfolio manager focused on rates strategies and SSA market. He started his professional career as a Risk Manager on Generali Investments, responsible for the monitoring of fund's performance and risk indicators. From October 2012 until June 2016, he worked as fixed income portfolio manager on Insurance portfolios of Generali Group. Since July 2016 he has been working as fixed income portfolio manager on mark to market funds. More in details he managed: money market funds, total return and benchmark funds (pension funds, unit linked, mutual funds and SICAV). Previously he worked at Banca Popolare di Vicenza as Risk analyst – asset and liability management (now Intesa Sanpaolo) ▪ Industry experience: 10 years ▪ Education: He holds a Master degree in Economics and Finance, University of Ca' Foscari University of Venice. He is currently a CFA II Level Candidate

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GIS Euro Green & Sustainable Bond
Key data

DATE OF INCEPTION	December 16th 2019
Features	▪ Classification: Fixed Income Corporate Sub-Fund of UCITS Sicav ▪ Investment horizon: Medium/long term ▪ SRRI: 3*
Management & Administration	▪ Management Company: Generali Investments Luxembourg S.A. ▪ Investment Manager: Generali Investments Partners S.p.A. Società di gestione del risparmio ▪ Custodian Bank: BNP Paribas Securities Services Luxembourg Branch

Share class**	ISIN Code	Bloomberg Code	Management fees
B Acc (Institutional)	LU2036759335	GEGBCIE	0.35%
C Acc (Institutional)	LU2036762479	GEGCCIE	0.35%
D Acc (Retail)	LU2036766389	GEGSDCE	0.65%
E Acc (Retail)	LU2036772601	GEGSECE	0.85%

**All share classes are also available as dividend paying

GIS Euro Green & Sustainable Bond

Risk exposure

Risk and reward profile

Lower risk,	Higher risk,
potentially lower rewards	potentially higher rewards

1	2	**3**	4	5	6	7

This indicator represents the annual historical volatility of the subfund over a 5-year period. Its aim is to help investors understand the uncertainties attached to gains and losses that may have an impact on their investment.

Main risks*: *Credit risk, liquidity risk, Securitised debt, Counterparty Risk, Operational Operational Risk and Depositary Risk, Sustainable Finance and Green Credit Instruments Risk.*

- Significant risk(s) for the subfund not taken into account in this indicator includes the following:
  - **Credit Risk**: The subfund invests a substantial portion of its assets in bonds. The issuers may become insolvent, whereby the bonds may lose a major part of their value or their value entirely
  - **Liquidity Risk**: Risk related to a limited market activity that could not allow the Fund to sell or buy underlying investments in suitable
  - **Counterparty Risk:** The Fund primarily concludes derivatives trades with various contracting parties. There is a risk that counterparties may no longer be able to honour their payment or settlement obligations
  - **Operational Operational Risk and Depositary Risk:** The Fund may fall victim to fraud or other criminal acts. It may also incur losses due to misunderstandings or errors by employees of the management company, the depositary or external third parties. Finally, its‘ management or the custody of its' assets can be adversely affected by external events such as fires, natural disasters etc.
  - **Sustainable Finance**: Currently, there is not universally accepted framework or list of factors to consider to ensure that investments are sustainable. Legal and regulatory framework governing sustainable finance is still under development. The lack of common standards may result in different approaches to set and achieve ESG (environmental, social, and governance) objectives. Applying ESG criteria to the investment process may exclude securities of certain issuers for nonfinancial reasons and, therefore, may forgo some market opportunities available to funds that do not use ESG or sustainability criteria.
  - **Green Credit Instruments Risk:** Investment in green credit instruments may involve additional risks compared to other credit instruments, like potential smaller and less liquid markets, lower yield and less transparent prices.

*Historical data such as that used to calculate the synthetic indicator cannot be considered as a reliable indication of the subfund's future risk profile. The risk category associated with the subfund is not guaranteed and may change over tie. Your initial investment is not guaranteed. The risks are fully described in the prospectus which is available on our website: www.generali-investments.com, on Generali Investments Luxembourg S.A. (Management Company of Generali Investments SICAV) website www.generali-investments.lu, and through distributors

GENERALI INVESTMENTS

Important information

www.generali-investments.com

GIS Euro Green & Sustainable Bond is a subfund of Generali Investments SICAV (an investment company qualifying as a “société d’investissement à capital variable” with multiple subfunds under the laws of the Grand Duchy of Luxembourg) managed by Generali Investments Luxembourg S.A. who appointed Generali Investments Partners S.p.A. Società di gestione del risparmio as investment manager. The information contained in this document is only for general information on products and services provided by Generali Investments Partners S.p.A. Società di gestione del risparmio and Generali Insurance Asset Management S.p.A. Società di gestione del risparmio. It shall under no circumstance constitute an offer, recommendation or solicitation to subscribe units/shares of undertakings for collective investment in transferable securities or application for an offer of investments services. It is not linked to or it is not intended to be the foundation of any contract or commitment. It shall not be considered as an explicit or implicit recommendation of investment strategy or as investment advice. Before subscribing an offer of investment services, each potential client shall be given every document provided by the regulations in force from time to time, documents to be carefully read by the client before making any investment choice. Generali Investments Partners S.p.A. Società di gestione del risparmio, periodically updating the contents of this document, relieves itself from any responsibility concerning mistakes or omissions and shall not be considered responsible in case of possible damages or losses related to the improper use of the information herein provided. Past performance is not a guarantee of future performance and the subfund presents a risk of loss of capital. No assurance is released with regard to the approximate correspondence of the future performances with the ones above mentioned. It is recommended to look over the regulation, available on our website www.generali-investments.com. The client shall carefully read the KIID, which must be delivered before subscribing the investment, and the prospectus which are available on our website (www.generali-investments.com), on Generali Investments Luxembourg S.A. (Management Company of Generali Investments SICAV) website (www.generali-investments.lu), and by distributors. Generali Investments is part of the Generali Group which was established in 1831 in Trieste as Assicurazioni Generali Austro-Italiche. Generali Investments is a commercial brand of Generali Investments Partners S.p.A. Società di gestione del risparmio, Generali Insurance Asset Management S.p.A. Società di gestione del risparmio, Generali Investments Luxembourg S.A. and Generali Investments Holding S.p.A.

Thank You.

Contacts:

Generali Investments