



Engagement policy

Index

1. Introduction and general provisions.....	3
2. Monitoring of investee companies	3
3. Dialogue with investee companies	4
4. Exercise of voting rights and other rights associated with shares	6
5. Communication with relevant stakeholders of investee companies	7
6. Managing potential conflicts of interest in relation to the engagement activity	Errore. Il segnalibro non è definito.

References

- [1] Consolidated Finance Act (Testo Unico della Finanza)
- [2] Joint Consob-Bank of Italy Provision on Post-Trading
- [3] Issuers' Regulation
- [4] Covip Regulation on Transparency of Engagement Policy and Elements of the Equity Investment Strategy of Pension Funds
- [5] ANIMA – Strategy for Exercising Voting Rights Related to Financial Instruments Held by Managed Products
- [6] ANIMA – ESG Policy

Changes to the document

Versions	Date	Description of Changes
00	26/02/2021	First issue and Board approval
01	25/02/2022	Annual Regulatory Review
02	30/05/2023	Annual Regulatory Review and Board approval
03	31/12/2024	Annual Regulatory Review

Definitions

- **Management Function Staff** - A team of resources (Portfolio Managers) who, based on assigned **internal management mandates**, carry out investment activities related to managed assets.
- **Institutional investors** - (1) An insurance or reinsurance company as defined in letters u) and cc) of paragraph 1 of Article 1 of Legislative Decree No. 209 of 7 September 2005, including Italian branches of companies headquartered in a third country, authorized to conduct life insurance or reinsurance activities under Article 2, paragraphs 1 and 2, of the same decree; 2) Pension funds with at least one hundred members, registered with the register maintained by COVIP and falling under those referred

to in Articles 4, paragraph 1, and 12 of Legislative Decree No. 252 of 5 December 2005, or under Article 20 of the same decree, holding legal personality.

- **Asset managers** - Asset Management Companies (SGR), open-ended investment companies (SICAVs), closed-ended investment companies (SICAFs) that directly manage their assets, and entities authorized in Italy to provide portfolio management services.

1. Introduction and general provisions

The European regulatory framework on encouraging long-term shareholder engagement (the so-called Shareholder Rights Directive II), transposed into Italian law, requires asset managers and institutional investors to adopt and publicly disclose an engagement policy that describes how they:

- monitor investee companies with shares admitted to trading on a regulated market in Italy or another European Union Member State concerning key issues, including strategy, financial and non-financial performance, risks, capital structure, social and environmental impact, and corporate governance;
- engage in dialogue with investee companies;
- exercise voting rights and other rights associated with shares;
- collaborate with other shareholders;
- communicate with relevant stakeholders of investee companies;
- manage actual and potential conflicts of interest related to their engagement.

Based on the aforementioned regulatory framework, Anima SGR has defined this Engagement Policy, which will be updated at least annually and published on Anima SGR's website within fifteen days following approval by the company's Board of Directors. The engagement policy will remain publicly available for at least three years following the end of its validity.

The policy applies to: i) all products managed by Anima SGR;
ii) the "Arti & Mestieri" Open Pension Fund, classified as an institutional investor pursuant to Article 124-quater, paragraph 1, letter b), point 2, of the Consolidated Finance Act (TUF).

Regarding agreements with institutional clients for individual and collective portfolio management (management mandates), the policy applies in accordance with such agreements, in compliance with applicable regulations and the "comply or explain" principle.

2. Monitoring of investee companies

The Engagement Policy is inspired by the Italian Stewardship Principles issued by Assogestioni and the EFAMA Stewardship Code, which contain recommendations for implementing a set of best practices aimed at fostering dialogue and collaboration with issuers of the financial instruments in which the managed portfolios are invested. Anima SGR applies these best practice principles to both Italian and foreign issuers whose securities are included in the managed portfolios. The application of these principles may follow a proportionality criterion, for example, by establishing materiality thresholds for shareholdings within managed portfolios to identify significant issuers.

From this perspective, the SGR considers "significant issuers" to be issuers for which the following conditions jointly occur:

- i) the total number of shares held across all managed products exceeds 1% of the total issued shares of the same category;

- ii) the shareholding represents a significant weight in the managed products, with a presumed relevance threshold set at more than 1% of the Net Asset Value (NAV) in at least one product holding the shares in its portfolio.

For financial instruments other than shares, the same quantitative criteria apply, with the first percentage referring to the total number of the specific financial instruments issued by the issuer. The verification of the fulfilment of the above-mentioned conditions is carried out on a quarterly basis, in relation to the data collected on the last day of the reference quarter.

Even if a total shareholding of products falls below the aforementioned thresholds, the Principles may still be applied at SGR's discretion, considering the significance of the investment held, both quantitatively and qualitatively, such as specific events related to the issuer.

The Principles are generally applied to issuers that exceed the significance thresholds on a stable and continuous basis. They may not be applied when the threshold exceedance is temporary and/or part of a short-term investment strategy.

The monitoring activities aim to protect and enhance the value of managed products. For significant issuers, SGR adopts all necessary monitoring measures and tools, which, based on a flexible and proportional approach according to assessments of appropriateness, may also be applied to other investee issuers.

The monitoring focus is primarily on financial and economic prospects, and corporate governance issues, particularly in cases of potential concerns.

Monitoring is conducted on an ongoing basis and includes:

- (i) quantitative controls on stock performance and its contribution to fund performance;
- (ii) analysis of data and news from media sources and information providers, as well as key research from financial analysts;
- (iii) review of periodic financial reports and participation in related conference calls;
- (iv) regular meetings with representatives of the issuer;
- (v) analysis of issuer disclosures and published documents, with a particular focus on corporate events submitted to shareholder meetings;
- (vi) discussions with industry experts, independent legal consultants, etc.

3. Dialogue with investee companies

The engagement activities with investee companies are aimed at protecting and enhancing the value of managed portfolios. These activities may be initiated by: Management Functions, the Investment Principles Service, or the ESG Committee.

The SGR identifies specific circumstances that warrant active intervention with an issuer and defines the corresponding engagement methods.

By way of example and without limitation, the SGR may engage with an issuer when monitoring activities reveal the following critical issues:

- stock performance significantly below the sector average;
- substantial losses that could erode share capital, triggering the conditions outlined in Article 2446 of the Italian Civil Code;
- proposed extraordinary transactions or changes to the organizational structure that may significantly alter the issuer's risk profile or fundamentally transform its business model;
- extraordinary transactions and/or statutory changes that could harm shareholders' rights or trigger the right of withdrawal;
- material environmental, social, or governance (ESG) concerns, aligned with Sustainable Development Goals (SDGs) to which the SGR contributes (SDGs 3, 12, 13, 16, and 17), and with Principal Adverse

Impacts (PAI) indicators it has committed to considering (PAI 4, 14, and 16), as outlined in its ESG Policy;

- legal, tax, environmental, or social disputes involving the issuer or its representatives;
- deliberative proposals to the assembly, for which an orientation other than favourable emerges.

Under these circumstances, the SGR may conduct individual engagement meetings with key issuer representatives (executives, investor relations teams), or participate in collective engagement initiatives to discuss concerns or formally present specific issues.

The details and outcomes of engagement activities are shared internally within the SGR to enhance monitoring of issuers' environmental, social, and governance (ESG) profiles and integrate acquired insights into the investment decision-making process.

If engagement efforts indicate that the identified issues cannot be resolved or improved within the investment time horizon, the SGR may decide to exit its investments in the issuer's securities across all portfolios.

The SGR prioritizes collective engagement initiatives, including those aimed at government bond issuers and regulatory bodies. This approach represents both an exercise of investors' rights and a means of promoting the Principles of Responsible Investment, which the SGR has committed to applying in the best interest of its stakeholders.

Italian issuers

In the case of Italian issuers, the main instrument of collective engagement aimed at ensuring sound and prudent management, as well as overseeing the issuer's risks, consists in collaborating with other professional investors through the Committee of Asset Managers (composed of representatives from asset management companies affiliated with Assogestioni and other institutional investors). This collaboration is particularly focused on the submission of candidate lists for the election of minority members to the administrative and supervisory bodies of the investee company.

For significant issuers, if monitoring and intervention activities reveal particularly problematic circumstances with potential material impacts on managed products, the SGR—in the interest of investor protection—evaluates the adoption of collective engagement measures with other institutional investors. This may occur, for example, through procedures provided by the Committee of Asset Managers itself.

Collective engagement with other institutional investors is generally considered preferable, whether initiated by the SGR (individually or collectively) or as part of initiatives led by other investors, non-governmental organizations, or investor associations. These initiatives may primarily involve requests for additional collective discussions with the issuer's management, independent directors, and/or auditors, always in compliance with recognized best practices in monitoring and engagement.

Initiatives aimed at exercising shareholders' rights, particularly when requiring qualified quorum thresholds—such as calling a shareholders' meeting at the request of investors, adding items to the meeting agenda and/or submitting new resolution proposals—will preferably be undertaken in coordination with other institutional investors. Additionally, any class actions, where permitted by current regulations, will also be carried out preferably in concert with other institutional investors, including through the procedures of the Committee of Asset Managers, ensuring that all actions serve the exclusive interest of investors in managed products.

Foreign issuers

In the case of foreign issuers, engagement may take place through direct dialogue with the companies. However, it is generally conducted:

- in a collective form by participating in motions, petitions, or similar initiatives promoted by non-governmental organizations or investor associations through platforms such as Principles for Responsible Investment (PRI), CDP (Carbon Disclosure Project), and similar initiatives;
- during participation in shareholders' meetings, where voting rights are exercised in accordance with Anima SGR's Policy and following the procedures outlined below.

4. Exercise of voting rights and other rights associated with shares

The SGR has established a Voting Rights Policy that takes ESG factors into account and is committed to exercising its voting rights in line with the Sustainable Development Goals (SDGs) No. 3, 12, 13, 16 and 17 to which the SGR intends to contribute (SDGs 3, 12, 13, 16, and 17), and with Principal Adverse Impacts (PAI) indicators it has committed to considering (PAI 4, 14, and 16), as outlined in its ESG Policy.

The SGR develops strategies to regulate the exercise of intervention and voting rights concerning issuers whose securities are admitted for trading on major national and international markets and are included in the portfolios of managed products, always in the exclusive interest of investors.

With regard to individual portfolio management services, Anima SGR does not exercise the voting rights associated with shares held by the client in the managed portfolio, unless the client has granted a specific proxy under Article 24 of the TUF or if this is explicitly defined within the management agreement.

With reference to management proxies of institutional investor mandates, Anima SGR does not exercise voting rights unless expressly regulated within the management agreement.

The analysis and identification of significant corporate events are carried out using information providers and other sources that report disclosures made by the issuer or information relevant to it. This activity primarily focuses on general meetings of major listed companies in Europe, the United States, and Japan. In particular, to safeguard investors' interests and management requirements, voting rights are exercised in markets where the administrative processes for registration and vote submission are straightforward and are generally not subject to ancillary activities and additional burdens, authorisations, certifications, or communications that could lead to an excessive lock-up period for the securities involved in the vote.

The decision to participate in general meetings and exercise voting rights is not automatically extended to all managed products holding the relevant securities. However, if multiple managed products are involved in the same meeting, voting expressions are generally aligned. The number of shares for which intervention and voting rights are exercised at the meeting may not represent the entirety of the shares held by the involved portfolios. Instead, this is determined based on current assessments regarding investor protection needs and market conditions.

The Investment Committee is informed of the actions taken concerning the exercise of voting rights at shareholders' meetings of companies in which the managed products' assets are invested, as well as of any potential submission of minority lists for the appointment of administrative and/or supervisory bodies.

The exercise of voting rights must always be conducted in an informed manner, based on information published by the companies in which investments are made or through commonly used information sources. These include, for example, the issuers' websites, daily newspapers and periodicals, financial and data providers, as well as reports and assessments on environmental (E), social (S), and governance (G)

matters. Additionally, analyses carried out by leading research firms specialising in proxy voting may be considered.

Participation in and voting at general meetings may take place through one of the following methods:

- using proxy voting services;
- delegating an employee or collaborator of the SGR or the Group;
- delegating a third party (such as legal professionals or consultants).

If participation in the meeting occurs via a proxy, the voting instructions defined by the SGR are binding, meaning the proxy holder may not deviate from them.

In particular, in exercising intervention and voting rights, the SGR adheres to the following principles:

- it may not bind portfolio securities to shareholders' agreements (e.g., voting or lock-up agreements);
- it may recall at any time any securities of any issuer that have been lent out;
- it exercises voting rights with full autonomy and independence;
- if delegating intervention and voting rights to third parties, explicit voting instructions must be specified in the proxy or other relevant documentation;
- when submitting candidate lists for the election of administrative and supervisory bodies in Italian companies, it follows the principles and criteria established by the Corporate Governance Committee of Assogestioni.

If deemed appropriate and where permitted by applicable regulations, the SGR has the right to: submit written questions to the issuer before the meeting regarding the agenda items; communicate its voting intentions to the issuer and/or via collective platforms (such as the PRI Collaboration Platform); and publish specific information regarding the votes cast on its website.

By way of example and without limitation, the following types of transactions, when formalised in a shareholder resolution proposal, are closely monitored for significant issuers:

- all transactions involving share capital, including those affecting special categories of shares or other financial instruments, as well as related special meetings (e.g., capital increases or reductions, new issuances, conversions, amendments to rights, etc.);
- all extraordinary transactions, such as mergers, demergers, transformations, acquisitions or disposals of significant business units or equity stakes, bond issuances, and material related-party transactions;
- statutory amendments that impact the corporate purpose, governance rules, or shareholder rights;
- annual financial statements and remuneration policies;
- appointment of corporate bodies, including the common representative of a share category where applicable;
- environmental, social, and corporate governance (ESG) matters, identified in alignment with Sustainable Development Goals (SDGs) 3, 12, 13, 16, and 17, as well as the principal adverse impacts of investment (PAIs) 4, 14, and 16, as considered in the SGR's ESG Policy;
- any shareholder actions concerning director liability.

In cases where it is assessed that exercising voting rights would not result in a benefit or interest for the managed products, or where there is a lack of adequate and sufficient information to cast an informed vote, the SGR does not exercise its voting rights or opts for abstention.

A dedicated organisational procedure governs the processes and detailed activities, including the criteria and methods for exercising intervention and voting rights.

5. Communication with relevant stakeholders of investee companies

The SGR communicates the implementation of this policy to the public through a report made available on the SGR's website by 28 February each year, starting from February 2022. This report refers to engagement activities carried out in the previous year and follows the provisions of the policy in force during the relevant period. The annual report remains publicly available for at least three years from the date of publication.

The SGR also discloses the implementation of its Engagement Policy annually for the Arti & Mestieri Open Pension Fund.

For institutional clients, the SGR provides a copy of this policy at the time of contract signing.

Additionally, the SGR ensures transparency regarding the exercise of voting rights by including relevant details in the periodic financial reports of the managed products and by publishing voting-related information and data on its corporate website. The periodic disclosures will contain specific details about general meetings of significant issuers where intervention and voting rights were exercised, as well as engagement initiatives undertaken with these issuers.

Further information can be requested directly from the SGR.

6. Managing potential conflicts of interest in relation to the engagement activity

The SGR does not exercise intervention and voting rights, nor does it participate in the submission of minority lists for the appointment of corporate bodies, in situations where conflicts of interest exist with issuers classified as "related parties", as defined in the relevant policies and procedures adopted by the SGR¹, or at the general meetings of such issuers.

If any significant issuers fall within the definition of "related parties", as per the applicable corporate policies and procedures, the SGR will generally limit the application of its Stewardship Principles to monitoring activities only. It will abstain from individual and collective engagement, participation in general meetings, and voting. For Italian issuers, it will also refrain from submitting minority lists for corporate bodies.

Furthermore, the SGR requires proxy advisors to provide regularly updated disclosures regarding their conflicts of interest in relation to the companies for which they issue voting recommendations.

¹ Based on the definition of "related parties" outlined in the current Conflict of Interest Management Policy (to which reference is made) and the current corporate structure of the Anima Group, this provision applies to the following issuers: i) the parent company; ii) shareholder issuers that exert significant influence over the parent company, including through shareholder agreements; iii) issuers with which companies within the Anima Group have entered into significant distribution agreements; iv) issuers that have entered into depository agreements with companies of the Anima Group; v) outsourcers to whom the SGR has delegated its services.