



## AG INSURANCE

# MONITORING & CERTIFICATION OF SRI INSURANCE PORTFOLIOS CERTIFICATION STATEMENT 1<sup>st</sup> SEMESTER 2021

To the Portfolio Managers of AG Insurance Financial Assets Department,  
To the AG Insurance Certificate holders,

**Forum Ethibel** asbl is appointed by **AG Insurance** to execute independent monitoring and certification of the Socially Responsible Investment (SRI) investment products of **AG Insurance**. The portfolios subject to the screening process are “Caisse 43” and “Multicompany”.

### Set-up

**AG Insurance** performs autonomously a first internal screening process in accordance with the ‘Fortis Defence Industry Policy’, to exclude securities known to have investments linked with controversial weapons. This internal screening process and any potential consequences thereof are not in scope of the certificate. **V.E (Vigeo Eiris)** nor **Forum Ethibel** have any responsibility in this stage of the process.

In a second stage, **V.E** is entitled to screen the concerned portfolios twice a year following an “Extended Exclusion” methodology defined by mutual agreement between **AG Insurance** and **V.E**. The Extended Exclusion Criteria can be divided in two main categories.

1. On the one hand AG Insurance chooses not to invest in companies that are majorly involved in the following Negative Screening Criteria: Animal Maltreatment, Tobacco, Sex Industry, Gambling and Armament.
2. On the other hand AG Insurance abstains of investing in companies with Significant Controversies on the following criteria: Complicity in Systematic and/or Gross Violation of Human Rights Conventions and Violation of ILO Conventions.

Additionally and according to two criteria regarding activities in the field of nuclear energy and dangerous chemical products, companies may be listed by V.E on the ‘Orange List’ (see below), in descending order of discouragement, depending on the level of involvement. This list is updated following the same schedule as the Extended Exclusion Screening.

The **V.E** analysis results in the following possible recommendations:

1. Acceptable (= *white*)
2. Negative advise (= *red*; exclusion advise)
3. Watch list (= *yellow*; close monitoring of companies is required)
4. Orange list (= *orange*; involvement in nuclear energy and/or dangerous chemical products)
5. Non advised (no pro-active advise requested)
6. Not transparent financial vehicle (= *blue*; lack of transparency, non-researchable due to considerable level of complexity or uncertainty)

As a guide to positive stock picking and in order to align with the principles of Socially Responsible Investments, V.E transfers twice a year the updated Vigeo Eiris EXCELLENCE Investment Register to AG Insurance, with the purpose of assessing and quantifying the portfolios’ SRI conformity.

The “Multicompany” portfolio is subject to this positive screening and catalogued “SRI Plus”.

The role of **Forum Ethibel** is twofold:

1. On the level of the “Extended Exclusion” portfolios: assure the conformity of the AG Insurance portfolios with the recommendations of **V.E** and the compliance with the ethical criteria, as explained above and for the 2 mentioned portfolios. In order to check this compliance, the portfolio’s positions are screened on the reference dates of 31<sup>st</sup> of December and 30<sup>th</sup> of June, as well as all the transactions during the 6 previous months.



2. On the level of the “SRI Plus” approach: monitor and quantify the level of compliance of the investment positions of “Multicompany” with the **Vigeo Eiris EXCELLENCE Investment Register**.

## The 2021/1<sup>st</sup> semester verification

The audit has been executed in accordance with the contractual stipulations and determinations.

While processing the audit, additional inquiries were answered and the requested information has been provided by **AG Insurance** and by **V.E.**

This certification declaration is based on the portfolio positions of June 30, 2021. All positions have meticulously been investigated.

### Extended Exclusion

The table below illustrates the level compliance of the respective portfolio positions with the V.E recommendations of December 2020.

<b>Multicompany Portfolio</b>	Total AUM (€) 30/06/2021	AUM (€) covered by V.E advice	% of total AUM
Accepted (white)	128.530.211	107.929.979	83,97%
Discouraged (orange)		5.247.473	4,08%
Watch List (yellow)		5.704.762	4,44%
Exclusion (red)		6.388.300	4,97%
Not transparent (blue)		1.632.660	1,27%
Non advised corporate		1.627.037	1,27%
<b>Caisse 43 Portfolio</b>	Total AUM (€) 30/06/2021	AUM (€) covered By V.E advice	% of total AUM
Accepted (white)	2.311.770.645	738.040.335	31,93%
Discouraged (orange)		26.397.470	1,14%
Watch List (yellow)		48.664.654	2,11%
Exclusion (red)		30.173.358	1,31%
Not transparent (blue)		257.458.191	11,14%
Non advised corporate		31.371.479	1,36%
Non advised non corporate bonds		1.179.665.157	51,03%

Regarding the compliance with the recommendations issued by V.E in December 2020, the following positions have been detected as non-compliant:

ISIN	Name	Quantity	Market value (€)
<b>Multicompany Portfolio</b>			
XS1117297785	BLACKROCK 1,25 06/05/25	500.000	525.850
XS1107727007	CITIGROUP 2,125 10/09/26	1.000.000	1.096.100
XS1068874970	CITIGROUP 2,375 22/05/24	500.000	535.600
XS1329671132	EXOR 2,125 02/12/22	500.000	513.900
XS0874840845	GE CAP EUR 2,625 15/03/23	500.000	524.300
DE000A1Z0TA4	JAB HOLD 1,625 30/04/25	1.500.000	1.580.850
XS0820547825	JPM CHASE 2,75 24/08/22	500.000	518.200
FR0011832039	KERING 2,75 08/04/24	500.000	541.150
XS1372839214	VODAFONE 2,20 25/08/26	500.000	552.350
<b>Caisse 43</b>			
FR0013209715	ATOS SE 1,444 06/10/23	5.000.000	5.139.800
XS1140054526	BG ENERGY 2,25 21/11/29	3.000.000	3.426.900
XS1329671132	EXOR 2,125 02/12/22	2.000.000	2.055.600
XS1119021357	EXOR 2,50 08/10/24	3.000.000	3.249.000
XS1238902057	GEN ELEC 1,875 28/05/27	5.000.000	5.391.000

XS2115091717	IBM 0,30 11/02/28	3.002.000	3.006.503
XS0466670345	INVESTOR 4,875 18/11/21	3.950.000	4.028.605
XS1721422068	VODAFONE 1,875 20/11/29	1.000.000	1.114.200
XS1372839214	VODAFONE 2,20 25/08/26	2.500.000	2.761.750

### SRI Plus

The Multicompany portfolio has a total value of € 128.530.211.

40,90% of this portfolio (€53.857.378), is in line with Vigeo Eiris EXCELLENCE Investment Register.

### Conclusion

Based on the above listed controls and observations, we declare that **AG Insurance** invested the « Caisse 43 » and « Multicompany » portfolios to a significant extent in compliance with the “Extended Exclusion” criteria researched by V.E.

Restriction should be made for:

- 1) Eighteen positions have been detected as non-compliant.

Caisse 43: The corporate bonds of BG Energy and Vodafone have been advised for exclusion following the observation of gross violations on human rights. The corporate bonds of Atos, Exor, General Electric, IBM and Investor have been advised for exclusion based on military involvement.

Multicompany: Both JAB Holding and Kering corporate bonds have been advised for exclusion referring to activities linked to animal maltreatment. The observation of involvement in human rights led to the advice to exclude corporate bonds of Citigroup and Vodafone. The corporate bonds of Blackrock, Exor, General Electric and JPMorgan Chase & Co. have been advised for exclusion based on military involvement.

In accordance with the stipulations of the Audit contract and in line with its long term buy and hold strategy, **AG Insurance** may keep bonds in the portfolios, given that these have been acquired before **V.E's** exclusion advice notification. All eighteen positions in corporate bonds meet this requirement and may be held until maturity.

- 2) Multiple positions were not yet advised by V.E (“Non-advised corporate”). **Forum Ethibel** requests AG Insurance and **V.E** to provide written evidence on the nature of these non-advised positions in the scope of this certification.

ISIN	Name	Quantity	Market value (€)
<b>Multicompany</b>			
FR0000121147	FAURECIA	207	8.564
BE0002774553	GIMV 2,25 15/03/29	500.000,00	517.670
NL0014332678	JDE PEET'S BV	15.000	459.000
NL00150001Q9	STELLANTIS NV	12.194	201.689
DE000A2YN900	TEAMVIEWER AG	13.875	440.115
<b>Caisse 43</b>			
BE0002774553	GIMV 2,25 15/03/29	3.000.000	3.106.020
NL0014332678	JDE PEET'S BV	30.000	918.000
NINERS02	NINERS EBF C FLT 30/06/23	16.094.893	16.014.419
BE6325258828	SOFICO 1,094 20/11/52	10.000.000	9.842.200
DE000A2YN900	TEAMVIEWER AG	47.000	1.490.840

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Forum Ethibel asbl



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