THE ONELIFE COMPANY S.A.

SUSTAINABILITY RELATED DISCLOSURES
REGULATION (EU) 2019 / 2088

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Table of Content

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1. Introduction

About the Company

The OneLife Company S.A. (LEI: 213800S5I8AHISIGZE12), a "*société anonyme*" having its registered office at 38 Parc d'Activités de Capellen, L-8308 Capellen, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register under number B34.402 (hereinafter referred to as the "**Company**"), is a life insurance company, of less than 500 employees.

The Company is part of a conglomerate of entities forming the "**Groupe Apicil**", which is a *Société de Groupe Assurantiel de Protection Sociale (SGAPS)* in France and registered with and supervised by the *Autorité de Contrôle Prudentiel et de Résolution*.

The Company is under the prudential supervision of the *Commissariat aux Assurances*, the supervisory authority for the insurance sector in the Grand Duchy of Luxembourg (hereinafter referred to as the "**CAA**")

Regulatory context

The European Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (hereinafter referred to as "**SFDR**") came into effect on 10 March 2021, with the aim of increasing transparency in sustainability data disclosures to influence investor behavior, encouraging a shift of capital to less harmful and potentially positive activities.

In this regard, **Article 3 of SFDR** requires "Financial Market Participants" (hereinafter referred to as "**FMP(s)**") to publish on their website information about their policies on the integration of sustainability risks in the investment decision-making process.

Article 4 of SFDR refers to the disclosures, at entity level, of "Principal Adverse Impacts" (hereinafter referred to as "**PAI(s)**") on sustainability factors in investment decisions. PAIs are the negative effects that investments and investment decisions have on sustainability factors (environmental matters, social and employee issues, respect for human rights, anti-corruption, anti-bribery etc.). Supplementing SFDR, the delegated regulation (EU) 2022/1288 of 6 April 2022 provides guidance, in the form of "Regulatory

Technical Standards", on the content of PAIs, their measurement and their presentation. SFDR requires FMPs with more than 500 employees to publish information on their consideration of PAIs on their website by 30 June each year. For FMPs with fewer than 500 employees and opting out, the European Supervisory Authorities have considered best practice to indicate a target date for when they intend to consider PAI indicators as set out in their 2023 Joint Committee Report.

Article 5 of SFDR requires FMPs to include in their remuneration policy information on how this policy is consistent with the integration of sustainability risks, and to publish this information on their website.

Article 10 of SFDR refers to the transparency of the promotion of environmental or social characteristics and of sustainable investments on websites. It requires FMPs to publish and maintain on their websites, for each financial product referred to in Articles 8(1) and 9 of SFDR, certain information such as notably a description of the environmental or social characteristics or the sustainable investment objective, the methodologies used to assess, measure and monitor the environmental or social characteristics, etc.

Article 12 of SFDR requires FMPs to ensure that any information published in accordance with article 3, 5 or 10 of SFDR is kept up to date. If the Company changes this information, a clear explanation of such amendment will be published on this web page.

Scope of application

The Company is currently subject to Articles 3 and 5 of SFDR with regard to disclosures at entity level. Due to its size, the Company has a derogation under Article 4 of SFDR. The Company offers complex and diverse investment solutions and the relevant data required to develop PAIs indicators is currently not accessible for all asset classes. The Company is working towards the first review of PAIs and their publication in the coming years.

2. Sustainability risk considerations [Article 3 of SFDR]

Investments

The investments of the Company can be divided into two main categories:

- **The Company's client product offering** (through four investment vehicles). Each of these vehicles is designed to meet diverse investment needs and preferences.
- **The Company's shareholder-investments**. The goal of this shareholder portfolio is to generate, depending on market conditions, adequate returns that will result in sufficient assets to pay the present and future liabilities of the Company.

It is important to differentiate between these two categories for the consideration of sustainability risks as part of the Company's investment decisions, due to the nature of each activity.

A sustainability risk is defined as *an environmental, social or governance event or condition that, if it occurs, could cause a negative material impact on the value of the investment.*[1]

The Company's client product offering

The Company offers cross-border financial solutions through unit-linked products, such as life assurance, capitalization or pension products, whose benefits (payable upon termination of the product) is linked to the value of investment vehicles.

The investment vehicles available through these products and in which the client can invest their premium may be of four types (depending on the product concerned):

- External funds;
- Internal collective funds;
- Internal dedicated funds; and/or
- Specialised insurance funds.

These investment vehicles may be collective or individual investments, depending on the fund that is concerned.

- **Collective investment vehicles**
  - The external fund is a collective investment vehicle, established outside of the Company, subject to authorisation and ongoing prudential supervision by a state supervisory authority. External funds are managed by their issuers or by the fund manager appointed by the issuers. The Company offers a selection of external funds proposed by reputable international fund managers. The client makes their choice with the help of their advisor based on their objectives and risk profile. Find out more
  - The internal collective fund is an internal fund to the Company open to a large number of clients. This type of fund is specific to the Company and is reserved to its clients only. The internal collective fund is tailor-made by the Company, however the management of the underlying assets is delegated to an independent asset manager and carried out in accordance with a defined investment strategy. The internal collective fund is managed in compliance with Luxembourg laws and regulations and, in particular, with the investment rules and limitations set out by the CAA. Find out more.
- **Individual investment vehicles**
  - The internal dedicated fund is an internal fund to the Company, with or without direct lines, with no guaranteed return, managed by a single manager and used as a support for a single contract (except in special cases). The fund is tailor-made for the client. The

[1] Fourteenth recital of the preamble of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector

underlying assets are held in the custodian bank of their choice and managed by the asset manager of their choice as well. The Company delegates the management of the internal dedicated fund to an external The asset manager to whom the Company delegates the management of the underlying assets of the internal dedicated fund, is required to do so in compliance with Luxembourg laws and regulations and in particular with the investment rules and limitations set out by the CAA. Find out more.

- The specialised insurance fund is an internal fund other than an internal dedicated fund, with or without direct lines, which does not offer a guaranteed return and which is used as a support for a single contract. This is a tailor-made investment fund with two management options: either active management of the underlying assets by the client with the support of an investment advisor, or long-term investment in the underlying assets until maturity ("buy & hold"), *i.e.* without any further intervention by the client. Investment decisions relating to the underlying assets are the responsibility of the client (subject to any restrictions and/or requirements applicable in the client's country of residence and those set out in the product terms and conditions). This type of fund is managed in compliance with Luxembourg laws and regulations and, in particular, with the investment rules and limitations set out by the CAA. Find out more.

Investment decisions within these different investment vehicles (funds) are then taken by external asset managers or, where applicable, by the client, on the basis of the investment strategy they have chosen to apply. As a result of this structure, although the Company may define specific objectives, conditions or restrictions for the asset managers to whom it delegates fund management, it does not currently have direct control over the investment decision-making process.

As a consequence, **the Company is unable to incorporate sustainability risks as an integral component of the investment decision-making process**. The Company continues to work closely with these external asset managers to convey the importance of considering sustainability risk in all investment evaluations.

Additionally, the Company is currently working in the development of a dedicated "ESG product" that will integrate sustainability risks as part of the investment decisions. The Company is actively developing its capabilities to collect and analyze relevant data, to integrate sustainability considerations into its investment decisions in accordance with SFDR requirements for the developments of its future ESG products. While its immediate focus remains on ensuring financial performance and regulatory compliance, the Company is committed to a gradual shift towards incorporating sustainability impacts into its investment strategy.

The Company's shareholder portfolio

The Company maintains an internally managed portfolio specifically tailored for its shareholders. Unlike the externally managed funds, this portfolio grants the Company with direct control over investment decisions. This allows it to incorporate environmental, social and governance ("**ESG**") issues into its investment strategies. However, it is important to note that this internal portfolio is exclusively designed for its shareholders and is not marketed to its individual clients.

As part of its "Investment Guidelines" for the Company's shareholder portfolio, preference is made in favour of long-term investments in issuers that aim to generate a positive social and/or environmental impact alongside a positive financial return. In order to enhance its responsible investment strategy and develop an economy that is both more sustainable and more inclusive, the Company applies some exclusion criteria in accordance with different international jurisdictions and conventions (the United Nations Global Compact (UNGC), conventions and treaties approved by the European labels (Greenfin Label, Label Relance, FNG-Siegel, LuxFLAG,…) as well as the "Groupe APICIL Politique ISR".

The exclusion criteria consider the below themes:

- Controversial weapons
- Fossil energies oil / gas
- Tobacco / alcohol
- Negative impact on climate change

These exclusions are the base of all direct investments carried out by the Company in the shareholder portfolio. A possible future broadening of the scope of application to other products promoted by the Company (e.g. internal collective funds) could be considered.

Insurance advice

The Company distributes life insurance and capitalization products in Belgium, Denmark, Finland, France, Luxembourg, Portugal, Spain, and Sweden.

As per article 2(11) of SFDR, "financial adviser" means an insurance undertaking, which provides insurance advice regarding insurance-based investment products ("IBIPs").

The Company does not provide personalized investment recommendations when distributing its products. However, it is the Company's role is to determine whether the contract meets notably the client's needs and requirements and, where appropriate, to inform the client whether the product distributed by the Company and considered by the client is appropriate for the latter. As also indicated in section "Investments" under point 2. above, the underlying assets of the investment vehicles (funds) are not managed by the Company but are managed either by third-party asset managers or by the client, the Company does not provide any personalized recommendations with respect to the selection of these underlying assets.

The investment decision-making process does not fall under the Company, which currently makes it difficult to implement a policy related to the integration of sustainability risks in its insurance advice.

3. Statement on Principal Adverse Impacts [Article 4 of SFDR]

As indicated in section “Investments” under point 2. above, the person or entity in charge of the management of an investment vehicle (fund) is responsible for integrating sustainability risks into their investment decisions and for assessing the principal adverse impacts (hereinafter referred to as the “**PAIs**”) of their investment decisions on sustainability factors.

For these reasons, the Company, as a life insurance company, does not take into account the PAIs of investment decisions on sustainability factors for the time being.

The Company is actively developing its capabilities to collect and analyze relevant data, aiming to eventually integrate sustainability considerations into its investment decisions in accordance with SFDR requirements on sustainability-related disclosures in the financial services sector. While its immediate focus remains on ensuring financial performance and regulatory compliance, the Company is committed to a gradual shift towards incorporating sustainability impacts into its investment strategy.

4. Remuneration policy in relation to the integration of sustainability risks [Article 5 of SFDR]

Pursuant to SFDR, the Company is required to disclose how the overall remuneration policy is adapted to integrate sustainability risks.

In its current version, the Company’s remuneration policy does not explicitly mention sustainability risks. However, this policy establishes principles that aim to promote healthy and effective risk management, regardless of the risk nature, to align with the long-term interests of its shareholders, clients/investors and employees.

The Company wishes its remuneration policy to contribute to its social performance and operational excellence.

More specifically, the policy takes into account:

- The performance and skills development of employees;
- Agreements of equality between men and women.

Profit sharing is an important dimension of the Company’s remuneration policy. This system links the Company’s performance to the effective contribution of some employees. The existing remuneration policy incorporates commissions and variable remuneration that are associated with some employees' performance in both financial and non-financial aspects.

At present, the non-financial aspects evaluate the quality of customer service provided by the employee, their ability to meet customer needs and expectations, and recognise those who demonstrate innovation, mentorship and professional development.

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The Company actively seeks to address any shortcomings and adapt its remuneration policy to evolving regulatory requirements and industry best practice, particularly with regard to the integration of sustainability risks.

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