

GENERALI SMART FUNDS – VORGESORGESTRATEGIE

SUMMARY OF SFDR DISCLOSURE

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment. The Sub-fund promotes environmental and social characteristics pursuant to Article 8 of the Regulation (EU) 2019/2088 (“SFDR”) through an investment policy based on the application of an Environmental, Social & Governance (“ESG”) process. The investment into Risky Assets (composed of global equities, government bonds and ETFs) will be pursued by applying a Responsible investment process for equities, ETFs, other UCIs and UCITS, and a Sovereign Ethical Filter for government bonds. Under normal market conditions, a minimum of 70% of the Sub-fund’s net assets will be invested in assets that qualify as aligned with E/S characteristics.

When selecting equity securities, the Investment Manager will apply a responsible investment process, the ethical filter and controversies screening and an ESG scoring. Firstly, through its responsible investment process, the Investment Manager intends to actively manage the Sub-fund to fulfil its objective, selecting stocks with solid fundamentals that offer attractive financial returns while displaying positive Environmental, Social & Governance (ESG) criteria relative to their peers. Secondly, the Sub-fund seeks to meet the environmental and social characteristics by applying the Investment Manager’s proprietary ethical filter. Issuers of securities in which the Sub-fund may invest within the initial investment universe (i.e., MSCI World Index) will not be considered for investment if they match the following criteria: production of weapons, severe environmental damages, serious or systematic violation of human rights, cases of gross corruption, or significant involvement in coal and tar sand-sector activities, or exclusions defined by the International Labor Organization (ILO). The Investment Manager will also exclude issuers when their controversy level is considered material. Thirdly, global securities will then be selected based on a “best in class” approach for equity only taking into account controversies and relevant material ESG criteria. The ESG selection process aims at excluding 20% of the initial investment universe of global securities, and it will not be applied to the selection of the government bonds in which the Sub-fund will invest.

When selecting government bonds, a Sovereign Ethical Filter is applied which excludes any government bonds that do not comply with the following elements: money laundering and financing terrorism exclusion criteria, Abusive Tax practices exclusion criteria, social exclusion criteria and governance exclusion criteria.

When selecting ETFs, other UCIs and UCITS, and Lower Risk Assets, the Investment Manager will essentially base its analysis based on their promotion of environmental and social characteristics pursuant to Article 8 or Article 9 of the SFDR.

The Sub-fund promotes environmental, social characteristics and corporate governance practices, through for equities only, the application of exclusion rules based on involvement in severe controversies, the proprietary Ethical Filter, and a best-in-class approach. The Investment Manager engages in active shareholder participation based on voting and engagement, activities that contribute to risk mitigation and the creation of value for their investors and that define the pillars that guide engagement and monitoring behavior towards investee issuers from portfolios under collective management. In particular, the Investment manager has adopted an Engagement Policy - in compliance with the provisions of the Directive (EU) 2017/828 of the Parliament European Union and of the Council, taking into consideration the best practices from the standards international, defines the principles, the active management activities, and the responsibilities of the investment Manager.

The Sub-fund considers principal adverse impacts (“PAIs”) on sustainability factors. The indicators considered and monitored continuously for Global Equities are GHG Intensity of investee companies and Violations of the UNGC principles, the OECD Guidelines for Multinational Enterprises, and the exposure to controversial weapons. For investments in Sovereigns, the indicator is investee countries subject to social violation.

To ensure that environmental and social characteristics are met throughout the lifecycle of the fund, the ESG process mentioned the investment strategy is applied on an ongoing basis and exclusions are monitored on an ongoing basis with a regularity of at least once a year. The Investment Manager will analyze and monitor the ESG profile of issuers using information sourced from ESG data providers.

The sustainability indicators used to measure the attainment of the environmental and social characteristics promoted by the Sub-fund are the Equity pocket's ESG rating to be compared with the ESG rating of its initial investment universe, the Equity pocket's exposure to economic activities set out in the exclusion list, the share of ETFs and Money Market UCITS categorized as Article 8 or Article 9 SFDR and the number of Sovereign issuers found to be in breach of one or more of the "Sovereign Ethical Filter" criteria. In order to attain the E/S characteristics, the binding elements applied by the firm are the application of the Responsible investment process for Equities, Sovereign Ethical Filter for government bonds, the Responsible investment process for ETFs, and other UCIs and UCITS and Lower Risk Assets, as described in the Investment Strategy.

The Investment Manager will analyze and monitor the ESG profile of issuers using information sourced from several external ESG data providers. Accordingly, within the initial investment universe - and after the negative screening process described above - each single stock of a company within each industry sector will be analyzed and ranked by the Investment Manager according to both its fundamentals and the overall ESG score assigned to it by the external ESG data providers. Ongoing due diligence is performed by the external providers to ensure the integrity of the data received and sufficient data coverage. In the event that the required data points are not available from the external data provider used, the investment manager will first ask ad-hoc analysis or and then use data from a different data provider. In the case that no data points can be retrieved from any provider, the E and S characteristics of the issuer will not be analyzed as no data are estimated.

The main methodological limits are the availability of data to conduct ESG analysis, the quality of the data used in the assessment of ESG quality, the comparability of data, and the use of proprietary methodologies. There are cases where the asset manager disagrees with the external provider rating, in such case, internal analysis can also be performed by the ESG team. In order to avoid affecting the attainment of E/S characteristics, the Investment Manager uses different data providers combined with its own analysis and research to ensure data quality, coverage and reliability.

IMPORTANT INFORMATION: The information contained in this webpage is based on the requirements for the website product disclosure for financial products that promote environmental or social characteristics (hereinafter, referred to " **Article 10 – Website disclosure**") of the SFDR Regulation & the Commission Delegated Regulation (EU) of 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (hereinafter, referred to as "**SFDR Level 2 RTS**"). The information presented does **not** constitute a **marketing communication** or, an **offer, recommendation or solicitation** to invest in the presented product and it **should not be read on its own but jointly with the offering documentation** of the relevant fund/sub-fund.