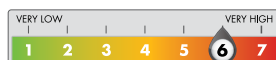


# Innovator

High Risk



**SFDR Classification:**  
Article 8 Fund



## Fund Objective

Bank of Ireland Life's fund invests in the KBI Innovator Fund (the Fund). This Fund aims to provide investors with exposure to alternative and innovative investment themes.

## Fund Facts

- ▶ **Asset Mix\*:** Equities.
- ▶ **Underlying Fund is Managed By:** KBI Global Investors.
- ▶ **Key Fund Risks:** Market risk, single asset class risk, sector risk & currency risk.
- ▶ **Recommended Investment Time Frame:** Medium to long-term (at least 5-7 years).
- ▶ **Risk Rating:** High Risk



The above risk categories have been determined by Bank of Ireland Life. Separately European Union (EU) law requires that a risk indicator be applied to the fund if certain products are held (excludes pensions), and it may differ from the Bank of Ireland Life risk category. The EU indicator is stated in the Fund Information Sheets and can be found on our website at <http://fundcentre.bankofireland.com/#KIDS>. Please see the Smart Funds or Target Saver brochure for further details.

- ▶ **Sustainable Finance Disclosure Classification: Article 8 Fund**

Article 8 Funds are funds which promote environmental or social characteristics (although not exclusively) and which invest in companies that follow good governance practices ("Light Green or Article 8 funds"). Please read the separately available document 'How KBIGI assesses the environmental, social and governance ("ESG") profile of issuers'. This is available from your Advisor or [click here](#).

## Investment Manager



KBI Global Investors (KBIGI) are a global investment manager, headquartered in Dublin with an office in Boston:

- ▶ Multi-product boutique with two core areas of expertise – Global Equity strategies and Natural Resource Equities.
- ▶ Part of Amundi, a leading European asset manager.

**Signatory to UN Principles of Responsible Investing Since\*:** 5 January 2011.

## Innovator

- ▶ **Innovator** provides an opportunity to invest in exciting areas of the global economy which are expected to benefit from strong growth levels into the future.
- ▶ **Innovator** provides investors with exposure to core themes such as water, agribusiness and climate change companies as well as commodities, and emerging market equities.

\*The investment manager may use the equities of the underlying fund for the purpose of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within the fund, it provides an opportunity to increase the investment return.

\*In 2005, the United Nations established a body that developed the Principles for Responsible Investing ("PRI"). The Principles for Responsible Investment are a set of six principles that set a global standard for responsible investing.

**Warning: Past performance is not a reliable guide to future performance.**

**Warning: The value of your investment may go down as well as up.**

**Warning: This fund may be affected by changes in currency exchange rates.**

**Warning: If you invest in this fund you may lose some or all of the money you invest.**

## Why invest in Innovator?

**Innovator** blends exciting long-term investment opportunities in key complementary sectors of investment markets that have the potential to generate higher investment returns than the wider global equity market over time. These areas of investment can also bring the benefits of diversification to an existing portfolio exposed to general equities and managed funds.

The core investment themes which **Innovator** is exposed to are outlined below:

### Agribusiness

- ▶ Innovator's agribusiness element has exposure to companies operating across the entire agricultural value chain.
- ▶ The UN predicts that the global population will grow by 21% between now and 2050. Food demand is forecast to outstrip this growth and is estimated to grow some 60%.

(Source: KBIGI).

The key to meeting the increase in food demand is increased agricultural crop yields, given the relatively fixed amount of arable land and increasing land degradation.

- ▶ The thesis of the agribusiness investment strategy is based on investing in companies that are actively involved in solving this food supply/demand imbalance. The strategy invests in companies operating in the agricultural suppliers, producers, agricultural services and processors sectors.

### Alternative Energy/Energy Transition

- ▶ Rising global energy demand, environmental concerns about greenhouse gas emissions and worries about the security of future supplies of oil and gas have led to an increased focus on alternative sources of energy (energy transition).
- ▶ Major policymakers are accepting that renewable energy must be commercialised as fast as possible to fill the supply/demand gap.
- ▶ **Innovator** has exposure to a selection of companies that are considered to be best placed to provide technologies across wind, solar, biomass and other embryonic energy sectors which will allow a greater percentage of overall energy to come from alternative sources, and to ensure future energy demand is met.

### Commodities

- ▶ **Innovator** gains access to commodities from all commodity sectors. These can include:
  - ▶ Energy (including crude oil, natural gas, heating oil).
  - ▶ Industrial metals (including aluminum, copper, lead, zinc).
  - ▶ Precious metals (gold and silver).
  - ▶ Agricultural (including wheat, cocoa, corn, coffee).

### Emerging Markets

- ▶ Emerging markets are the regions of the developing world whose economies are forecast to grow strongly.
- ▶ **Innovator** has exposure to companies exposed to emerging market economies with real growth potential over the medium to long-term.
- ▶ The key drivers of the performance of these regions and companies into the future will be the growing population levels, as well as growing consumer classes and consumer wealth within these areas.

### Water

- ▶ Growing demand for freshwater from a rapidly-expanding global population, coupled with unrelenting water demand from industry and global farming, is leading to deep concerns surrounding how we manage our critical water resources.
- ▶ The water supply problems facing many regions will provide profitable projects for the companies best placed to provide solutions to these problems for years to come.
- ▶ **Innovator** has exposure to companies that generate a significant portion of their revenues from exciting areas across the water cycle. These companies are active in all areas of the water cycle including water and wastewater treatment, water testing and filtration, water infrastructure including pipes, pumps and valves and engineering and consulting services.

**Warning: Past performance is not a reliable guide to future performance**

**Warning: The value of your investment may go down as well as up.**

**Warning: This fund may be affected by changes in currency exchange rates.**

**Warning: If you invest in this fund you may lose some or all of the money you invest.**

## Environmental, Social & Governance (ESG)

KBIGI implement Responsible Investing (RI) principles firstly because they believe that the use of Environmental, Social and Governance (ESG) factors has positive effects on the risk and return of investments. KBIGI also believe that the use of RI principles in managing investments can help to achieve ESG goals which are worthy of achievement in their own right, and which are also in the best interests of long-term investors. ESG considerations have been embedded in all of KBIGI's underlying investment processes for over 10 years and longer for their Natural Resource Equities (Water, Alternative Energy). As a firm, KBIGI has been a member of United Nations Principles of Responsible Investing (UNPRI) since 2011.



**Environmental:** KBIGI actively monitors portfolios for climate-related risks and opportunities. As well as using their own judgment and expertise they use the PACTA tool ("Paris Agreement Capital Transition Assessment"), provided by the PRI, and carbon footprint data from an external supplier. Furthermore, they engage directly with companies to assess climate-related risks and opportunities for specific companies.

In terms of risks, KBIGI have for some time concluded that the climate-related risk associated with thermal coal extraction is too large to merit investment, and so they exclude large-scale investment in thermal coal extraction and generation from all portfolios.



**Social:** KBIGI's primary activity in relation to monitoring the impact on society of portfolio companies is via active ownership. They engage constructively with the management of companies to address their impact on society through direct conversations, collaborative initiatives with other investors and industry groups.



**Governance:** The primary activity to monitor good governance within KBIGI's portfolio companies is via active ownership. They engage constructively with the management of companies to address their governance practises through direct conversations, collaborative initiatives with other investors and industry groups where it is merited, as well as active use of proxy voting\*\*.

For more information about KBIGI's approach to ESG and how we work with our investment managers to protect investors' future [click here](#).

\*\*Proxy voting is when a vote is cast by one person or firm on behalf of another.

**Warning: Past performance is not a reliable guide to future performance.**

**Warning: The value of your investment may go down as well as up.**

**Warning: This fund may be affected by changes in currency exchange rates.**

**Warning: If you invest in this fund you may lose some or all of the money you invest.**

## Minimum Recommended Investment Period

Investing should always be considered over the medium to long-term (at least 5-7 years) to give the underlying assets time to grow in value. However, even long-term investing involves risk as values will fluctuate over time.

## Risk Rating – High Risk



Bank of Ireland Life has rated its **Innovator** fund a high risk investment fund. Funds categorised as high risk funds have the following characteristics:

- ▶ The potential return from high risk investments is much higher than deposits or inflation.
- ▶ The focus is on maximising the potential return to investors, rather than minimising risks.
- ▶ Some high risk funds may consist almost entirely of one asset class or be concentrated in one geographic region or sector.
- ▶ Investors' capital is not secure and may fluctuate significantly. Investors may get back substantially less than they originally invested.

## Key Fund Risks

**Market risk** (value can fluctuate in line with market movements), **single asset class risk** (exposure to just one asset type), **sector risk** (exposure limited to a particular market segment) and **currency risk** (exposure to changes in currency exchange rates) are risks that arise from investing in this fund that investors should be aware of.

This fund has exposure to non-euro assets and this brings the additional risk of how changes in currency exchange rates can impact the value of the fund. For more information, please ask your Advisor about our "Investing & Risk" document.

## Product Availability

**Innovator** is available to investors through the following Bank of Ireland Life products:

- ▶ Smart Funds
- ▶ Personal Pensions
- ▶ Approved Retirement Fund (ARF)
- ▶ Target Saver
- ▶ Personal Retirement Bond
- ▶ PRSA (non-standard)

## Charges

Charges vary per product type. For **Innovator**, a fund management charge of 0.25% p.a. applies in addition to the standard charge. For details of the charges that apply, talk to your Advisor. Charges quoted are subject to change.

## Next Steps

To find out more about **Innovator**, talk to the Advisor available in your local Bank of Ireland branch, or visit:

**Fund Centre** 

**Sustainable Investing Hub** 

**Warning: Past performance is not a reliable guide to future performance.**

**Warning: The value of your investment may go down as well as up.**

**Warning: This fund may be affected by changes in currency exchange rates.**

**Warning: If you invest in this fund you may lose some or all of the money you invest.**

Bank of Ireland Life reserves the right to review the risk categorisation of its funds at any time. Terms and conditions apply. Where relevant, exit tax (currently up to 41%) applies to gains on life assurance investment policies. A Government levy (currently 1% of the premium) is payable on all premiums paid to a life assurance policy.

The information set out is of a general nature, may have been condensed or be incomplete and should not be relied upon without seeking professional advice. We believe the information to be reliable but we cannot guarantee its accuracy. The information set out does not constitute an offer or recommendation to buy or sell any investments or to subscribe to any investment services. Details are as at the date of this document unless otherwise stated and may change over time. Terms and conditions as set out in your policy conditions apply.

KBI Global Investors Ltd. (KBIGI) is regulated by the Central Bank of Ireland.

Life assurance and pension products are provided by New Ireland Assurance Company plc trading as Bank of Ireland Life. New Ireland Assurance Company plc trading as Bank of Ireland Life is regulated by the Central Bank of Ireland. Member of Bank of Ireland Group. Bank of Ireland Life may hold units in the funds mentioned on its own account.

Advice on Bank of Ireland Life products is provided by Bank of Ireland. Bank of Ireland trading as Bank of Ireland Insurance Investments or Bank of Ireland Premier is regulated by the Central Bank of Ireland. Bank of Ireland is a tied agent of New Ireland Assurance Company plc for life assurance and pensions business. A Member of Bank of Ireland Group.

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 ('SFDR') and Article 6, first paragraph, of Regulation (EU) 2020/852 ('Taxonomy Regulation')

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: KBI Innovator Fund (the “product”)

Legal entity identifier: 6354006VXEGJHXJBID06

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes

No

It will make a minimum of sustainable investments with an environmental objective: \_\_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of sustainable investments with a social objective: \_\_\_\_%

It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 25% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but will not make any sustainable investments

What environmental and/or social characteristics are promoted by this financial product?

The environmental and social characteristics of this product are the provision of vital natural resources such as water, agribusiness and clean energy as well as better corporate practices. The provision of vital natural resources such as water, agribusiness and clean energy is, in the opinion of the Investment Manager, a benefit to the environment and to society. Better corporate practices also contribute to a more just society by, for example, enhancing human capital or providing improved social opportunities to services such as finance, health care, and communications.

No reference benchmark has been designated for the purpose of attaining the environmental and social characteristics promoted by the product.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The Investment Manager monitors a range of sustainability indicators to measure the environmental and social characteristics of the product, including:

- The percentage of revenues earned on an estimated basis by investee companies which are from the environmental solutions sector.
- The weighted average ESG rating of the portfolio, as determined by the use of ESG ratings of companies, supplied by an external data provider of ESG research and ratings.
- The carbon intensity of the portfolio measured by an external provider of carbon footprint measurement services.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives? ?***

This product will invest partially in sustainable investments.

The objectives of these sustainable investments are the provision of vital natural resources such as water, agribusiness and clean energy. The provision of vital natural resources such as water, agribusiness and clean energy is, in the opinion of the Investment Manager, a benefit to the environment and to society. Better corporate practices also contribute to a more just society by, for example, enhancing human capital or providing improved social opportunities to services such as finance, health care, and communications. The sustainable investments contribute to these objectives by increasing investment in activities including, but not limited to, infrastructure and technological advancement of water, energy efficiency, energy transition, waste management and recycling, agribusiness and carbon trading. The sustainable investments also contribute to these objectives through their promotion of improved corporate practices that contribute to a more just society.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The sustainable investments of the product are assessed to ensure that they do not cause significant harm to any environmental or social objective. This assessment makes use of Principal Adverse Impact Indicators ("PAI Indicators"), where applicable and where data is sufficiently available, and ensures that certain minimum standards are reached for each applicable PAI Indicator. The PAI Indicators relate to a number of potential negative impacts, including but not limited to greenhouse gas emissions, social and employee matters, respect for human rights, involvement with fossil fuels, gender balance on boards, whether a company is in breach of the Principles of the UN Global Compact, and anti-corruption and anti-bribery matters.

— — — ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

The indicators for adverse impacts on sustainability factors are taken into account by applying certain exclusion strategies aligned to the PAI Indicators and by monitoring the PAI Indicators in the following manner:

1. As explained above, the Investment Manager makes use of the PAI Indicators when ensuring that a sustainable investment does not cause significant harm to any environmental or social objective and the Investment Manager ensures that certain minimum standards are reached for each applicable PAI Indicator.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

2. The product does not invest in any companies engaged in certain activities which, in the opinion of the Investment Manager, are associated with a particularly adverse impact on sustainability. These include but are not limited to companies involved in the manufacture of tobacco products, companies with any involvement in certain types of controversial weapons, and companies with a high degree of involvement in coal extraction or coal-fired electricity generation.
3. The Investment Manager engages with companies in which it invests on a range of issues, including engagement with companies which have high adverse impact (as measured by the PAI Indicators and by other factors), with a view to influencing the company to change its activities in a manner which will reduce the adverse impact.

— — — ***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

The product does not invest in any company which violates, repeatedly and seriously, one or more of the ten principles of the UN Global Compact. To implement this, the Investment Manager uses data from data providers which rely on international conventions such as the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights, as sources of data to determine risk exposure of companies' geographies of operation and business segments.

Sustainable investments align with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights through the use of environmental and UNGC (UN Global Compact) controversies screening as an indication for alignment with OECD guidelines / UN guiding principles along with other tools including ESG scores and research as part of the investment

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*





## Does this financial product consider principal adverse impacts on sustainability factors?

Yes

☒ No

The Investment Manager does not consider the adverse impacts of investment decisions taken in respect of the product on sustainability factors as the Investment Manager, in its view, could not gather and/or measure all of the data on which it would be obliged by SFDR to report, or it could not do so systematically, consistently and at a reasonable cost to investors. Should this position change and if the Investment Manager will consider the adverse impacts of its investment decisions on sustainability factors in respect of the product, this Annex will be updated at the next available opportunity.



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

## What investment strategy does this financial product follow?

Please see response in the next section below.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

In identifying investments which allow the product to promote environmental and social characteristics, the Investment Manager adopts the following strategies:

### *Collective Investment Schemes*

When making investments in active collective investment schemes, excluding commodity-related schemes, the Investment Manager will only invest in schemes where the investment manager of the underlying scheme assesses the Environmental, Social and Governance ("ESG") performance of companies in which it invests, and integrates the results of that assessment into its investment decisions.

### *Direct Investments*

The Investment Manager excludes holdings deemed inconsistent with its Responsible Investment Policy or that are involved with certain controversial sectors, as determined by the Investment Manager's Responsible Investment Committee. The product can not invest in any companies which are involved in certain activities including tobacco manufacturing, coal extraction and coal-fired electricity generation, in excess of certain thresholds. Full details of the exclusions and thresholds are available in the Responsible Investing Policy of the Investment Manager which can be found at the link below under the question "Where can I find more product specific information online".

The Investment Manager carries out its own assessment of the environmental and social performance of companies, based on its own research and knowledge of the companies, public information and information (including specialised ESG information) and ratings from external data providers ("Data Providers").

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***



There is no committed minimum rate.

● ***What is the policy to assess good governance practices of the investee companies?***

The Investment Manager assesses the governance practices and governance performance of both the collective investment schemes and any direct companies in which it invests:

*Collective Investment Schemes*

The Investment Manager ensures that the investment managers of the underlying collective investment schemes in which the product invests assess the governance practices and governance performance of companies in which those collective investment schemes invest.

*Direct Investments*

In the case of direct investment in companies, this assessment of governance practices and performance is based on the Investment Manager's knowledge of the companies based on its direct interactions with companies, its analysis of the financial statements and related materials of companies, and information including specialised governance information and ratings from at least one Data Provider in order to satisfy itself that the relevant issuers follow good governance practices, in particular, with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

When assessing the governance practices of investee companies, the Investment Manager (and/or its data provider, as applicable), has regard to a range of issues including but not limited to:

- Corporate governance: the impact that a company's ownership, board and other corporate governance practices (including the pay of senior management) have on investors.
- Corporate behaviour: the extent to which companies may face ethics issues such as fraud, executive misconduct, corruption, money laundering, or tax-related controversies.
- Staff remuneration: the extent to which pay of the CEO exceeds average pay per employee.
- Labour management: the relationship between management and labour.
- Tax compliance: a company's revenue-reporting transparency and involvement in tax controversies.

**Asset allocation** describes the share of investments in specific assets.



Taxonomy-aligned activities are expressed as a share of:

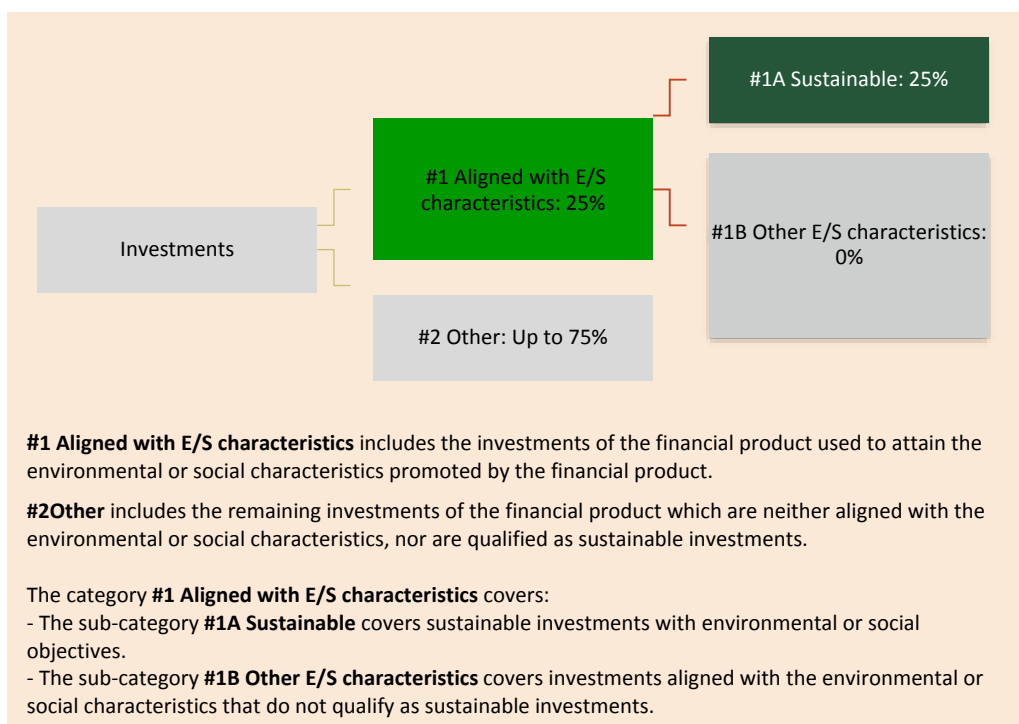
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

## What is the asset allocation planned for this financial product??

A minimum of 25% of the investments of the product are used to meet the environmental and social characteristics promoted by the product in accordance with the binding elements of the investment strategy.

While the product does not have sustainable investing as its objective, the product seeks to invest a minimum of 25% of its assets in sustainable investments with an environmental and/or social objective.

The purpose of the remaining proportion of the investments, if any, that are not used to meet the environmental and social characteristics promoted by the product is investment growth and efficient portfolio management in accordance with the investment policy of the product. Investors should note that the remaining portion of investments also includes investments which have not been screened to assess whether they promote environmental / social characteristics or constitute sustainable investments. Minimum environmental and social safeguards continue to apply in the selection of these investments including ESG-related exclusions (more details on the Investment Manager's exclusions are included above).



## ● *How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?*

Derivatives are not used to attain the environmental or social characteristics promoted by the product.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

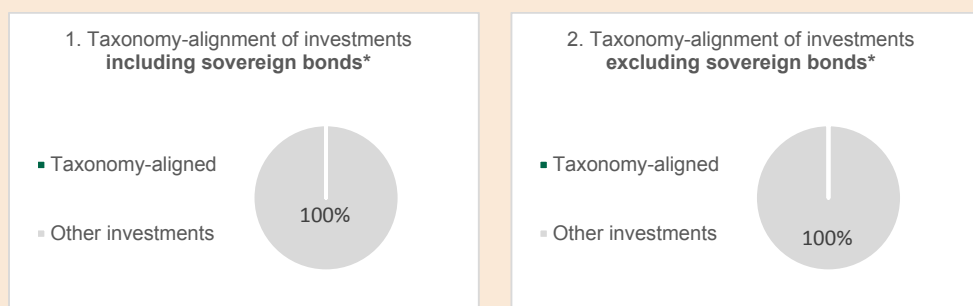


## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

As at the date hereof, it is expected that the minimum proportion of investments of the product in environmentally sustainable economic activities aligned with the EU Taxonomy shall be 0%. The Investment Manager will disclose the actual proportion of investments aligned with EU Taxonomy on an annual basis on its website and in the periodic reporting of the product.

In order to attain the environmental and social characteristics promoted by this product, the product invests in sustainable investments even though such investments do not meet all of the detailed criteria for “environmentally sustainable investments” within the meaning of the Taxonomy Regulation.

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

### What is the minimum share of investments in transitional and enabling activities?

The minimum share of investments in transitional activities is 0.0% of the product’s assets.

The minimum share of investments in enabling activities is 0.0% of the product’s assets.



## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The product commits to invest at least 25% of its assets in sustainable investments. Within this overall commitment, there is no minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy. This means that the proportion of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy will vary. Minimum percentages are subject to change and updates can be found on the website as referred to in the last question of this Annex.

In order to attain the environmental characteristics promoted by this product, the product invests in sustainable investments which contribute to specific environmental objectives. However, such investments do not meet all of the detailed criteria for “environmentally sustainable investments” within the meaning of the Taxonomy Regulation. Further



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

information on the objectives of the sustainable investments held by the product is provided under the heading “What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives?”.



### **What is the minimum share of socially sustainable investments?**

The product commits to invest at least 25% of its assets in sustainable investments. Within this overall commitment, there is no minimum share of sustainable investments with specifically a social objective. This means that the proportion of sustainable investments with a social objective will vary. Minimum percentages are subject to change and updates can be found on the website as referred to in the last question of this Annex.



### **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

From time to time some investments may not be aligned with the environmental or social characteristics of the product. The purpose of those investments is to generate investment growth and help provide efficient portfolio management in accordance with the investment policy of the product. Investors should note that the remaining portion of investments also includes investments which have not been screened to assess whether they promote environmental / social characteristics or constitute sustainable investments. Minimum environmental and social safeguards continue to apply in the selection of these investments including the exclusion of companies involved with certain controversial activities, and the exclusion of companies that violate, repeatedly and seriously, one or more of the ten principles of the UN Global Compact.



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No

- *How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?*

N/A

- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

N/A

- *How does the designated index differ from a relevant broad market index?*

N/A

- *Where can the methodology used for the calculation of the designated index be found?*

N/A



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://www.kbiglobalinvestors.com/sfdr-gifproduct-info/innov/>