



Davy High Yield Equity Fund

Managed by Davy Global Fund Management Limited

Fund Facts

- ▶ **Recommended Investment Time Frame:** Medium to long-term (at least 5-7 years)
- ▶ **Asset Mix*:** High Yield Global Equities – 50-70 shares that typically pay an above average dividend yield
- ▶ **Managed By:** Davy Global Fund Management Limited (Davy)
- ▶ **Sustainable Finance Disclosure Classification:**
Article 8 Fund 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 Davy assesses the environmental, social and governance (“ESG”) profile of issuers’ for more information. This is available from your advisor.
- ▶ **Key Fund Risks:** Market risk, single asset class risk & currency risk
- ▶ **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.

Fund Objective

To generate long-term capital growth by investing in equities that can provide with a relatively high, yet sustainable, flow of dividend income for the fund.

Fund Manager

DAVY

It is **Davy Global Fund Management's** bespoke quality definition that inspires their investment strategies which aim to deliver market leading performance. Each strategy has its own precise focus, back by the consistency of their ESG (Environmental Social Governance) integrated quantamental (quantitative & fundamental) investment process. Investor-led company engagement is used to support fundamental research and drive improved performance on key ESG issues.

Investment Process

The **Davy High Yield Equity Fund** invests in a well-diversified basket (across country and sector) of 50-70 high yielding global equities - a 'concentrated' equity fund.

Financial tests are undertaken that aim to reduce the level of risk experienced by the fund when compared to the broader equity market.

Before a stock is added to the fund, Davy carry out a number of financial tests and ensure specific criteria are met that indicate the Company:

- ▶ is financially strong with stable earnings growth expected
- ▶ has an attractive and sustainable dividend yield
- ▶ has low debt to equity ratio i.e. the company has low levels of borrowi

Typically it is large companies that usually display such criteria.

The **Davy High Yield Equity Fund** provides investors with the opportunity to share in the potential returns that can come from investing in equities that pay high dividends (high yielding equities).

*The investment manager may use the equities in this 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.

Why Invest in High Yield Equities?

The **Davy High Yield Equity Fund** aims to invest only in equities that pay higher than average dividends on a sustained basis.

The logic behind this investment strategy is that the type of companies that can achieve sustained higher dividends generally provide stable growth opportunities going forward. This can be very important in times of slowing global growth. For this very reason, high yield funds have been one of the most popular areas of investment for decades.

Why Do Dividends Matter?

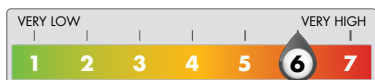
Essentially, the payment of dividends is a powerful message by companies to stock markets and investors about the company's future prospects and performance. It is one of the simplest ways a management team can signal their confidence about the company's future prospects.

Source: Davy Global Fund Management Limited

WARNING: Past performance is not a reliable guide to future performance.
WARNING: The value of your investment can 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 the **Davy High Yield Equity 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) 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. For more information, please ask your advisor about our "Investing & Risk" document.

Product Availability

The **Davy High Yield Equity Fund** is available to investors through the following Bank of Ireland Life products:

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

Charges

Charges vary per product type. For **Davy High Yield Equity Fund**, 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.

For more information on **Davy High Yield Equity Fund**, talk to the advisor available in your local Bank of Ireland branch. Alternatively, call us or visit our website.

01 523 9813 †

fundcentre.bankofireland.com

*Calls may be recorded for service, verification, analysis and training purposes. 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.

To improve our service, calls may be recorded for service, training, verification and analysis purposes. 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. For further details please refer to the fund brochure. Terms and conditions as set out in your policy conditions apply.

Davy Global Fund Management Limited, trading as Davy Global Fund Management, is regulated by the Central Bank of Ireland. In the UK, Davy Global Fund Management is authorised by the Central Bank of Ireland and is subject to limited regulation by the Financial Conduct Authority ("FCA"). In Luxembourg, Davy Global Fund Management is authorised by the Central Bank of Ireland and is subject to limited regulation by the Commission de Surveillance du Secteur Financier ("CSSF"). Details about the extent of our authorisation and regulation by the FCA and CSSF are available from us upon request.

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. The Company 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, Insurance & Investments, Bank of Ireland Private or Private, 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. Member of Bank of Ireland Group.

WARNING: Past performance is not a reliable guide to future performance.

WARNING: The value of your investment can 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.