

# Ethical Managed Fund

Medium to High Risk



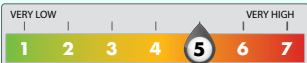
SFDR Classification:  
Article 8 Fund



## Fund Objective

To generate long-term capital growth by investing in a range of assets. Environmental, social and governance (ESG) characteristics are incorporated into the fund's equity exposure.

## Fund Facts

|   |   |
|---|---|
| Asset Mix*                                    | Equities, Property, Bonds, Cash.  |
| Investment Manager                            | State Street Investment Management (State Street)**.  |
| Sustainable Finance Disclosure Classification | The <b>Ethical Managed Fund</b> is classified as an Article 8 Fund.<br><br>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 State Street assesses the environmental, social and governance ("ESG") profile of issuers' for more information. This is available <a href="#">here</a> or from your Advisor.  |
| Key Fund Risks                                | Market risk & currency risk.  |
| Recommended Investment Time Frame             | Medium to long-term (at least 5-7 years).   |
| Risk Rating                                   | Medium to High Risk.<br><br><br>The above risk category has 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 Sheet and can be found on our website at <a href="https://fundcentre.bankofireland.com/#KIDS">https://fundcentre.bankofireland.com/#KIDS</a> . Please see the Smart Funds or Target Saver brochure for further details. |

## More Information about the Investment Advisor



- ▶ State Street Investment Management, formerly known as State Street Global Advisors, is the world's fourth-largest asset manager, overseeing nearly \$5 trillion in assets under management (as of July 2025).
- ▶ A track record of managing client assets for almost half a century, globally across 11 offices worldwide.
- ▶ State Street acts as investment advisor to Bank of Ireland Life for the **Ethical Managed Fund**.
- ▶ State Street provides strategic investment recommendations on the allocations of the fund to the underlying investment assets. State Street also manages the underlying assets in which the fund invests.

\* The investment manager may use the equities and bonds of the underlying funds 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.

\*\* Previously known as State Street Global Advisors Europe 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.**



## Fund Overview

- ▶ The **Ethical Managed Fund** aims to generate long-term capital growth by investing in a range of assets – equities, property, bonds and cash.

### ▶ **Diversification**

Investments are spread across different asset classes, across a range of geographic regions and sectors, to diversify risk within the fund. The percentage invested in each asset is influenced by the investment advisor's outlook for the different assets and the global economy.

### ▶ **Equities**

- ▶ The fund aims to have to have typically 60-85% equity exposure.
- ▶ This equity exposure complies with certain socially responsible standards. These are guidelines and frameworks that help organisations operate in a way that benefits society and the environment, while also being accountable for their impact.
- ▶ State Street apply a negative and norms-based screen to exclude investment in equities within the fund from a number of sectors. This screen is based on international norms or combinations of norms. Sectors excluded from being held include:
  - ▶ The defence industry
  - ▶ Human rights
  - ▶ Contraceptives and abortifacients
  - ▶ Stem cell research
  - ▶ Environment
  - ▶ Tobacco
  - ▶ Pornography
  - ▶ Animal testing for cosmetic
  - ▶ Fossil fuels
- ▶ The balance of the asset mix is held in property, bonds and cash.

### ▶ **Property**

The fund typically has exposure to quality commercial properties with tenants in Ireland, UK and mainland Europe.

### ▶ **Bonds**

The fund aims to have exposure, typically, to investment grade government and corporate bonds. This is used to provide a steady flow of income to the fund.

### ▶ **Cash**

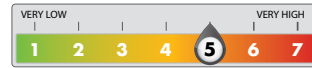
Cash exposure is to top-quality short-term securities.

For more information about State Street's approach to managing the ESG characteristics of the fund and how we work with our investment managers to protect investors' future, click [here](#).

## 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 – Medium to High Risk



Bank of Ireland Life has rated the **Ethical Managed Fund** a medium to high risk investment fund. Funds categorised as medium to high risk have the following characteristics:

- ▶ They aim to generate a return higher than deposits and inflation.
- ▶ They typically invest significant proportions in assets such as equities, property and alternatives (e.g. commodities).
- ▶ They usually hold smaller amounts in lower risk assets such as government bonds and investment grade corporate bonds. Within these asset classes risk can be reduced by investing across sectors and geographic regions.
- ▶ Investors' capital is not secure and can fluctuate, sometimes significantly, and investors may get back less than they originally invested.

## Key Fund Risks

**Market risk** (value can fluctuate in line with market movements) 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.

The fund has exposure to non-euro assets and this brings an additional risk of how changes in currency exchange rates can impact the value of the fund. The manager of the underlying assets may, from time to time, use derivatives to reduce the foreign currency risk of this fund. For more information, please ask your Advisor about our **"Investing & Risk"** document.

## Product Availability

The **Ethical Managed Fund** is available to investors through the following Bank of Ireland Life products:

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

## Charges

Charges vary per product type. For details of the charges that apply talk to your Advisor.

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## Next Steps

For more information on the **Ethical Managed Fund**, talk to the Advisor in your local Bank of Ireland branch, or visit:

**Fund Centre** 

**Sustainable Investing Hub** 

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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.

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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 trading as Bank of Ireland Life for life assurance and pensions business. 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 and Article 6, first paragraph, of Regulation (EU) 2020/852

**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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:** Ethical Managed Fund  
**Legal entity identifier:** N/A

## 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 % 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?

For the purposes of attaining the environmental and social characteristics promoted by the Ethical Managed Fund (the Account), the equity exposure of the Account is managed in line with certain socially responsible standards. As such, a negative and norms-based screen is applied to screen out equity securities in a number of sectors which include the defence industry, human rights, contraceptives and abortifacients, stem cell research, environment, tobacco, pornography, animal testing for cosmetics and fossil fuels.

The Account also has exposure to property, bonds and cash but there are no environmental and social characteristics associated with these asset class exposures.

For further details of the exclusions applied to the equity exposure by the Investment Advisor at any time please refer to the link included in the last question in this Annex.

No reference benchmark has been designated to attain the environmental and social characteristics promoted by the Account.

**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 attainment of the environmental and social characteristics is measured through the Account's equity portfolio's exclusions of securities that do not meet certain socially responsible standards. As such, the Account does not intend to hold any equity securities that do not meet the relevant ESG criteria.

- **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?**

The Account does not commit to making sustainable investments within the meaning of the SFDR or the Taxonomy Regulation.

- **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 Account does not commit to investing in sustainable investments.

**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, anticorruption and antibribery matters.

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

N/A

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

N/A

*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

The equity exposure of the Account pursues a reduction of negative externalities caused by the underlying investments and in that context considers Principal Adverse Impacts (“PAI”) on sustainability factors in the application of the exclusions. Specifically, the Account considers:

- Exposure to companies active in the fossil fuel sector
- Activities negatively affecting biodiversity-sensitive areas
- Exposure to controversial weapons

☐ No



## What investment strategy does this financial product follow?

The Ethical Managed Fund aims to generate long-term capital growth through investing in a range of assets (equities, property, bonds and cash).

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

In implementing this strategy, the Investment Advisor applies the negative and norms-based screen prior to the construction of the equity exposure of the Account and on an ongoing basis. This results in the exclusion of equity securities from a number of sectors which include the defence industry, human rights, contraceptives and abortifacients, stem cell research, environment, tobacco, pornography, animal testing for cosmetics and fossil fuels.

- **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 order to attain the environmental and social characteristics promoted by the Account, the Investment Advisor applies a negative and norms-based screen prior to the construction of the equity exposure and on an ongoing basis as described in the previous section.

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

N/A

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

The assessment of good governance practices is considered by the Investment Advisor in terms of the equity exposure as part of the assessment of potential equity investments when implementing the objective and guidelines of this exposure of the Account. The Investment Advisor deploys a proprietary governance assessment framework that includes a governance scorecard and a qualitative assessment for equity exposure. The framework considers factors such as board independence, diversity and experience as well as the configuration of executive compensation and accounting and tax compliance. The Investment Advisor will only invest in companies that they deem to follow good governance practices.

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



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

The fund aims to invest in equities (typically 70-90%) in line with the strict ethical investing criteria. The balance of the asset mix is held in property, bonds and cash. The Investment Advisor employs a binding ESG methodology to the equity element of the Account which aims to build an equity portfolio where typically 70-90% of the Account's equity exposure (approximately 60% of the Account overall) is in equity securities which are #1 Aligned with environmental and social characteristics as outlined in the table above. The remaining portion (<40%) of the portfolio, consisting of property, bonds as well as cash equivalents, including financial derivative instruments employed for efficient portfolio management or hedging purposes, in place held at the Investment Advisor's discretion, will be classified under #2 Other in the table below and will not be aligned with the promoted environmental and social characteristics.

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



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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

To the extent that the Account may use financial derivative instruments, these will not be used to attain the environmental or social characteristics promoted by the Account.

**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.



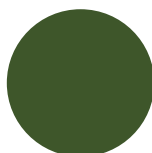
## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Account does not currently commit to investing in any “environmentally sustainable investment” within the meaning of the Taxonomy Regulation. However, the position will be kept under periodic review giving due consideration to market developments as the availability of reliable data increases over time.

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.

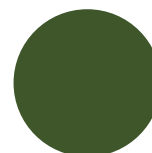
### 1. Taxonomy-aligned of investments including sovereign bonds\*

■ Taxonomy aligned (0%)  
■ Other investments (100%)



### 2. Taxonomy-aligned of investments excluding sovereign bonds\*

■ Taxonomy aligned (0%)  
■ Other investments (100%)



\* 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?

As the Account does not commit to invest any “environmentally sustainable investment” within the meaning of the Taxonomy Regulation, the minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation is therefore also set at 0%.

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



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

The Account promotes environmental and social characteristics in terms of the equity exposure but does not commit to making any environmentally sustainable investments in relation to equities or any of the assets that the Account has exposure to. As a consequence, the Account does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



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

N/A



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

The Account may hold a portion of its assets in cash or cash equivalents, including financial derivative instruments employed for efficient portfolio management or hedging purposes, at the Investment Advisor’s discretion, which are classified under #2 Other in the above table. Given the nature of cash or cash equivalents or including financial derivative instruments employed for efficient portfolio management or hedging, such assets will not be aligned with environmental and social characteristics nor will there be any environmental or social safeguards in place associated with such assets.





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?

N/A

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

- **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:

To find out more about the **Ethical Managed Fund**:



**Fund Centre**



**Our Sustainable Investing Hub**