

This document is the pre-contractual disclosure required for the financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6 of Regulation (EU) 2020/852. These regulations are part of new European requirements aimed at providing more transparency on sustainability in financial markets. For funds that promote environmental and/or social characteristics we are required to provide detailed sustainability related disclosures to prospective customers

Pre-Contractual Sustainability Disclosure for Megatrend Equity

Product name: Megatrend Equity

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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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> Yes	<input type="radio"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%	<input type="checkbox"/> 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 <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments



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

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

The environmental and/or social characteristics promoted by the Fund are targeting improvements in net green revenues, carbon intensity and good corporate governance metrics compared to the wider equity market while requiring that index constituents exceed a minimum required corporate governance score.

The Fund is passively managed and has designated the Index as a reference benchmark to determine whether the Fund is aligned with the environmental and/or social characteristics that it promotes.

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

The indicators used to measure the outcomes of this approach are:

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.

To reduce the impact of the Fund on climate change (relative to the wider equity market) > Increased allocation to green revenues versus the wider equity market.
 > Increase the Fund’s exposure to companies with improved sustainability (relative to the wider equity market).
 > Improvement in the good corporate governance versus the wider equity market.

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?

N/A - The fund promotes E/S characteristics, but will not make any sustainable investments

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?

N/A - This Fund does not commit to making sustainable investments or investments aligned with the EU Taxonomy.

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

N/A- the Fund does not commit to making sustainable investments

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 - This Fund does not commit to making sustainable investments or investments aligned with the EU Taxonomy.

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

Yes. The Fund aims to reduce negative impacts to the environment and society. These negative impacts are also called adverse impacts, whereby the most significant adverse impacts are referred to as principal adverse impacts (“PAI”).

No



What investment strategy does this financial product follow?

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

The Fund is a passive product and follows the Index (being the Solactive ILIM Global Thematic Equity Index) and is a high risk fund.

The Fund is designed to deliver exposure to three global investment themes (made up of sub-themes) that the Investment Manager believes will have a transformative effect on the global economy over the coming decades (the “Themes”). The Themes are:

- Technological Innovation
- Environmental Opportunities
- Future Living

The Fund promotes environmental and/or social characteristics alongside other factors.

As part of its active ownership program the Investment Manager will selectively engage (either directly or collaboratively with other like-minded investors) with companies in which it invests to support and encourage the adoption of positive sustainable behaviours within these companies.

As it may be inefficient or impracticable to hold all of the component securities of the Index, the Fund instead may use an index “sampling” process of selecting securities. Where this limited replication strategy is employed, the Fund holds a representative sample of securities which approximates the full Index in terms of key risk factors and other characteristics.

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?

For the Fund’s equity exposures, the following approach is applied within the Index which is also detailed in the Investment Manager’s Responsible Investment Framework as follows:

1.The Index excludes the securities of companies which exhibit poor behaviour (UN Global Compact Violators) and those involved in activities such as the manufacturing of Controversial Weapons and Tobacco.

2. The Index integrates sustainable revenue and PAI indicators within the Investment Manager’s equity investments to ensure a material improvement in these aggregate characteristics compared to the broad market benchmark.

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

N/A – there is no committed minimum rate to reduce the scope of investments.

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

The Investment Manager utilises independent third party data providers to make assessments on governance practices in the companies which the Investment Manager invests. At the date of the Supplement, the third party data provider used is Sustainalytics. The third party data provider provides the Investment Manager with ESG data, ESG ratings and assessments on the good governance practices of investee companies which assist the Investment Manager to complete its assessment. The Investment Manager assesses the good governance practices in investee companies through a number of measures which include:

- > Corporate governance scores
- > ESG Risk scores
- > alignment with the UN Global Compact > involvement in severe controversies.

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?

Asset allocation describes the share of investments in specific assets.

The Fund invests in developed market equities and may carry a small cash balance for liquidity purposes. At least 95% of investments are expected to be allocated to assets which promote E/S characteristics and up to 5% may be allocated to “other” investments which may comprise of a small cash balance for liquidity purposes or equity derivatives. However, in normal market conditions, the Investment Manager expects the investments used to meet the environmental and/or social characteristics is equal to circa 100%.

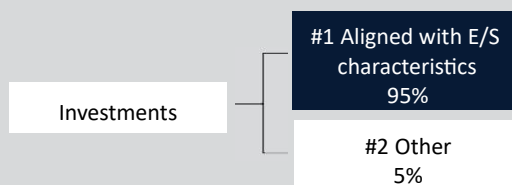
Taxonomy-aligned activities are expressed as a share of:

- **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.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or lowcarbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

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



#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?

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



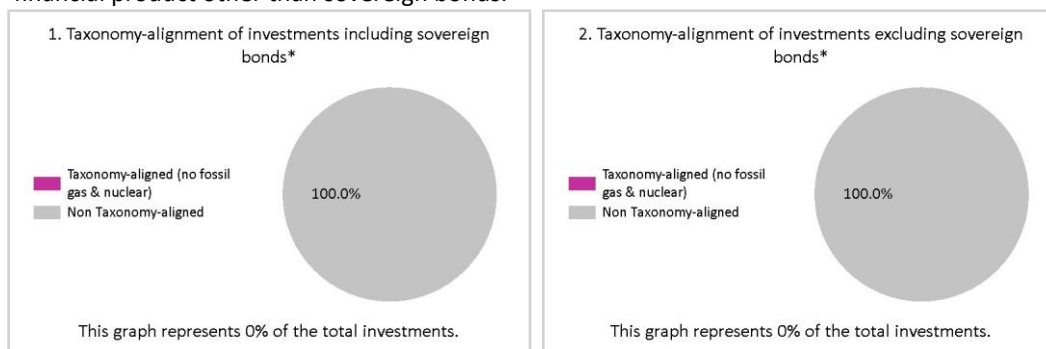
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Although the fund promotes environmental and/or social characteristics, as at the date of this document, it is expected that the minimum proportion of investments aligned with the EU Taxonomy criteria will be 0% of the net assets of the Fund.

Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy¹?

- Yes
- In fossil gas In nuclear energy
- No

The two graphs below show in purple 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?

N/A

¹Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



are 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?

N/A - This Fund does not commit to making sustainable investments or investments aligned with the EU Taxonomy.



What is the minimum share of socially sustainable investments?

N/A - The Fund does not intend to make any investments in sustainable investments with a social objective



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

The Fund will invest in equities. The Fund may also invest in cash, equity derivatives such as future contracts and also currency derivatives such as currency forwards. Equity derivatives may

be used to maintain or manage exposure to the market while managing the cash flows from subscriptions and redemptions into and out of the Fund more efficiently than by buying and selling transferable securities. The Fund will not generate synthetic short positions for investment purposes using financial derivatives. Given the nature of derivative investments, no minimum environmental or social safeguards can be applied. For cash holdings, no cash is held with banks which are on the Investment Manager's exclusion list.



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?

The Index has been designated as a referenced benchmark to determine whether the Fund is aligned with the environmental and/or social characteristics promoted by the Fund. The Fund follows a passive indexation strategy and aims to replicate the Index.

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

The Index is a rules based benchmark which integrates ESG data. Through the passive indexation strategy of the Fund, the Fund aims to replicate the constituent weights of the Index and accordingly, the Fund and the reference benchmark are continuously aligned with each of the environmental or social characteristics promoted by the Fund.

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

The Fund follows a passive indexation strategy and aims to replicate the Index. The Investment Manager ensures the alignment of the investment strategy with the methodology of the Index on a continuous basis by full replication of the underlying constituents of the Index or the use of a sampling process.

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

The relevant broad market index is the combined Solactive GBS Developed Markets All Cap Index and the Solactive GBS Emerging Markets Large & Mid Cap Index.

The relevant broad market index does not consider the promotion of environmental and/or social characteristics and is weighted based on market capitalisation, whereas the designated index promotes environmental and/or social characteristics by integrating ESG data into the index methodology.

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

The methodology pertaining to the Index is available at the below website link:

https://solactive.com/downloads/Solactive_ILIM_Sustainable_Index_Family.pdf



Where can I find more product specific information online?

More product specific information can be found on the website aibliffe-fundcentre.saolassurance.ie

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