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

Product name:
VP Vida Plus (Equity)

Legal entity identifier:
MI3TLH1I0D58ORE24Q14
549300FKMQ4CQTPLCI28
54930066YZFYEEPGIP56

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.

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: __%;**	☒ 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 **6.00 %** of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective: __%**	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

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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.

In addition to the return and risk characteristics, we integrate responsible investment criteria in all investment decisions underlying this investment product. The VP Bank Sustainability Score (VPSS) forms the basis for the promotion of ecological and/or social characteristics. The starting point for the VPSS is the ESG rating of the provider MSCI. In turn, it is made up of the basic components of environment (E), social (S) and governance (G). ESG factors show, for example, to what extent a company is prepared for future risks such as climate change or changes in society, such as consumer behaviour. Depending on the industry and type of asset class, relevant indicators for the sector are used.

Under the VPSS, environmental and/or social features are promoted by avoiding investments that do not meet our minimum standards in the following areas:

- minimum standards on the ESG profile of investments
- adherence to international standards and norms
- responsible business activities

The VPSS also promotes investments with a higher value if the following criteria are met:

- Improvement in ESG performance over time (ESG Momentum).
- Share of business activities that contribute to the achievement of the UN Sustainable Development Goals (SDGs).

A detailed description of the VPSS methodology can be found online:
https://www.vpbank.com/de/vp-bank-nachhaltigkeitsscore

No benchmark has been designated for the purpose of attaining the E/S characteristics promoted by this financial product.

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

  The VP Bank Sustainability Score (VPSS) forms the baseline to promote E/S characteristics. As part of the VPSS, environmental and/or social characteristics are promoted by avoiding investments not fulfilling our minimum standards. Furthermore, investments are considered beneficial if they contribute to the achievement of the UN Sustainable Development Goals (SDGs). By setting a minimum value at the individual security level, it is ensured that the environmental and/or social characteristics promoted by the financial product are met. We apply the following sustainability indicator to measure the achievement of the environmental and/or social characteristics promoted by this financial product:

  - at least 80% of the investments must have a VPSS of >3

  Additionally, a portfolio-level VPSS minimum threshold is defined to promote E/S characteristics:

  - weighted average portfolio-level VPSS must be > 5

- ***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 objective of the sustainable investments that the financial product partially intends to make, is to contribute to one or more of the UN Sustainable Development Golas (SDGs).

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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.

- *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?*

In order to ensure that the sustainable investments considered in this financial product do not cause significant harm (DNSH), we have implemented standards- and activity-based checks based on the following environmentally and socially relevant criteria, whereby violation of any of these criteria will result in exclusion:

- Business activities in the thermal coal sector (turnover threshold 5%).
- Business activities in tobacco (turnover threshold 5%)
- Business activities in controversial weapons (turnover threshold 0%)
- Very serious ESG-related controversies

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

This financial product takes into account the adverse impacts of investment decisions on sustainability factors within the framework of the VP Bank Sustainability Score (VPSS). More information can be found in our Principle Adverse Sustainability Impacts (PASI) Statement at: www.vpbank.com/sfdr

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

As part of the VP Bank Sustainability Score (VPSS) investments in business with documented practices that are illegal or in breach of specific international standards and norms are excluded. Specifically, we exclude investments in violation of:

- UN Global Compact
- United Nations Guiding Principles for Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- International Labour Organization (ILO) Labour Standards

This approach is applied to all investments, including but not limited to "sustainable 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, This financial product considers the following adverse impacts of investment decisions on sustainability factors in the investment strategy:

- Share of companies involved in violation of “UN Global Compact Principles” and “OECD Guidelines for Multinational Enterprises”.
- Share of Investments involved in controversial weapons.

☐ No

What investment strategy does this financial product follow?

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

The objective of this financial product is to generate a financial return that is consistent with the product's risk profile. The product is an actively managed equity portfolio using cash, equity and equity funds as well as currency hedging transactions. The investment strategy of this product consists of constructing a portfolio that is broadly diversified and promotes E/S 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?***

The investment strategy is subject to the following bindings elements to attain each E/S characteristic promoted by the product:

- No exposure to investments with a ESG rating of CCC or B
- No exposure to investments in violation of “UN Global Compact”
- No exposure to investments in violation of “United Nations Guiding Principles for Business and Human Rights”
- No exposure to investments in violation of “International Labour Organization (ILO) Labour Standards”
- No exposure to investment with business activities in tobacco, gambling, thermal coal and nuclear weapons (revenue threshold 5%)
- No exposure to investments with business activities in controversial weapons (revenue threshold 0%)

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

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

An investment receives a pass on the "Good Governance Test" if it has an ESG Rating of BB or higher. This generally indicates a company’s ability to manage resources, mitigate key ESG risks and opportunities and meet baseline corporate governance expectations.

What is the asset allocation planned for this financial product?

At least 80% of the investments in this financial product are made in instruments aligned with E/S characteristics defined.

A minimum quota of 6% is defined with respect to sustainable investments.

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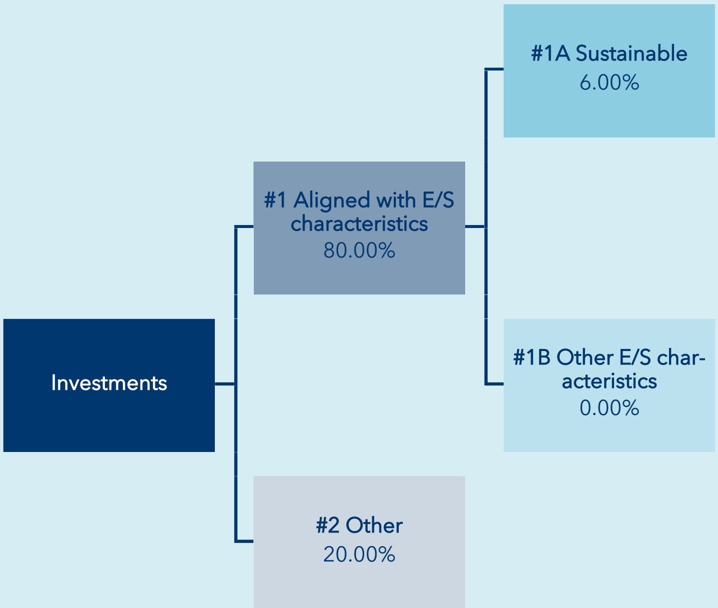
Values stated here and in the graphic reflect the minimum proportion of the investments of the financial product in accordance with the binding elements of the investment strategy.

The remaining investments can deviate from above classification, e.g. cash, futures and swaps as well as investment with limited data availability. A maximum of 20% of the total investments can be assigned to this category.

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.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

No derivatives are used in this financial product to achieve the promoted environmental and/or social characteristics.

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

Investments in this category can include cash position, futures and swaps as well as investment with limited data availability, which do not allow for a clear contribution to the E/S objectives as defined for this financial product.

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?

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?***

  No benchmark has been designated for the purpose of attaining the E/S characteristics promoted by this financial product and/or meeting the sustainable investment objective.

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

  No benchmark has been designated for the purpose of attaining the E/S characteristics promoted by this financial product and/or meeting the sustainable investment objective.

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

  No benchmark has been designated for the purpose of attaining the E/S characteristics promoted by this financial product and/or meeting the sustainable investment objective.

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

  No benchmark has been designated for the purpose of attaining the E/S characteristics promoted by this financial product and/or meeting the sustainable investment objective.

Where can I find more product specific information online?

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

https://www.vpbank.com/en/private-clients/investing/wealth-management

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