

# Risk Profile & Sustainability Preferences

HC Financials' Risk Profiler makes it easier to choose investments that match your needs. After completing this questionnaire, you and your Financial Advisor will be able to:

- accurately assess your attitude to investment risk.
- identify your capacity to bear investment loss.
- determine your investment sustainability preferences (if any);
- match investments to your personal profile.

Client's name:

## 1. What age are you?

 years

## 2. How long do you plan to invest for?

 years

## 3. How would you describe your investment knowledge?

- Expert:** I have in-depth knowledge of how investments work.
- High:** I have a good understanding of the different types of investments and their risks.
- Moderate:** I have knowledge of the basic types of investments and their risks.
- Little:** I have little knowledge about investments and their risks.
- None:** I have no investment knowledge.

## 4. What is your investment objective?

- To maximise returns, regardless of risk.
- To make high returns, without excessive risk.
- To make good returns, with limited risk to my capital.
- To make returns which beat inflation, without significant risk to my capital.
- To protect my capital.

### 5. How concerned would you be with a short-term (6 months) 10% decline in your investment?

- Not concerned.
- Slightly concerned.
- Moderately concerned.
- Very concerned.
- Extremely concerned.

### 6. What is your appetite for taking risk?

If you invested €10,000 today, what range of potential values would you consider to be an acceptable return for your investment after 5 years?

- between €6,300 and €17,200.
- between €6,800 and €16,300.
- between €7,900 and €14,000.
- between €8,900 and €12,100.
- between €9,800 and €11,600.

### 7. What is your approach to taking risks?

If you could increase the value of your investment by taking more risk, would you:

- Take a **LOT** more risk with **ALL** of your money.
- Take a **LITTLE** more risk with **ALL** of your money.
- Take a **LITTLE** more risk with **SOME** of your money.
- Be **UNWILLING** to take any more risk.

### 8. Do you have other savings available to you, should you encounter a financial emergency?

- No. I have no other savings I can use in the event of an emergency.
- I have some other savings, but nothing earmarked for a financial emergency.
- Yes. I have specific savings that I can use in an emergency

### 9. If this investment were to perform poorly, what impact would this have on your financial well-being?

- It would have a big impact. This investment is required for a specific purpose.
- It would have some impact. I would need to make some adjustments to my future plans.
- It would have no impact, as I have other savings.

## The HC Financial Sustainability Assessment

The HC Financial Sustainability Assessment makes it easier to choose investments that match your sustainability preferences. It allows you and your Financial Advisor to get a holistic view of your current situation by assessing and understanding your sustainability preferences. If you do not have sustainability preferences, you can skip this assessment by indicating so below.

- Yes – I have sustainability preferences and would like to complete the Sustainability Assessment
- No – I do not have sustainability preferences and do not need to complete the Sustainability Assessment.

*\*If “Yes” is selected the customer can complete the section below. If “No” is selected the customer does NOT complete the section below and can move to the signature section overleaf.*

### Your Sustainability Preferences – see overleaf for more detail

Please tick the boxes below to indicate your sustainability preferences:

- Environmentally Sustainable Investments** (Also known as EU Taxonomy-Aligned Investments)  
(if you ticked this option, please complete section A below).
- Sustainable Investments** (Also known as SFDR-Aligned Investments)  
(if you ticked this option, please complete section B below).
- Investments which consider **Principal Adverse Impacts** on sustainability factors  
(if you ticked this option, please complete section C below).

*Please note that several of our funds include exposures to sovereign bonds. You may wish to include or exclude sovereign bonds from your assessment above. The current allocations to sovereign bonds for relevant funds can be on the fund website page or in the factsheet.*

#### A. Environmentally Sustainable Investments (Also known as EU Taxonomy-Aligned Investments)

How important it is to you that you invest in **Environmentally Sustainable Investments** (EU Taxonomy-Aligned Investments):

- Not important    Slightly important    Moderately important    Very important    Extremely important

Please specify the minimum proportion that you would like invested in **Environmentally Sustainable Investments** (EU Taxonomy-Aligned Investments):  %

#### B. Sustainable Investments (Also known as SFDR-Aligned Investments)

How important it is to you that you invest in **Sustainable Investments** (SFDR-Aligned Investments):

- Not important    Slightly important    Moderately important    Very important    Extremely important

Please specify the minimum proportion that you would like invested in **Sustainable Investments** (SFDR-Aligned Investments):  %

#### C. Principal Adverse Impacts

How important it is to you that you invest in **Principal Adverse Impacts** on sustainability factors:

- Not important    Slightly important    Moderately important    Very important    Extremely important

Please select all categories that you would like to be considered in your investment decisions from the sample list below:

Environmental	Greenhouse Gas emissions	<input type="radio"/>
	Carbon footprint	<input type="radio"/>
	Activities that negatively affect biodiversity-sensitive areas	<input type="radio"/>
	Emissions to water	<input type="radio"/>
Social	Exposure to controversial weapons	<input type="radio"/>
	Gender pay gap and board gender diversity	<input type="radio"/>
	Adherence with the UN Global Compact	<input type="radio"/>
Governance	Corruption and bribery matters	<input type="radio"/>
	Inadequate governance	<input type="radio"/>
	Tax evasion	<input type="radio"/>
	Breaches of regulation, international norms and conventions	<input type="radio"/>

Please note the above is not an exhaustive list of Principal Adverse Impacts of investment decisions on sustainability factors. If there are additional Principal Adverse Impacts which you would like considered, please discuss these with your Financial Advisor.

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## Understanding your Sustainability Preferences

Sustainable investing is the process of incorporating environmental, social and governance factors into investment decisions. Sustainability is a broad term with many branches stemming out from it. As such it can be difficult to determine which aspects of it are important to everyone. This represents what can be referred to as your 'Sustainability preferences'.

To help you and your advisor to discuss this, regulators have split the sustainability preferences into three main categories:

- (i) Environmentally Sustainable Investments (Also known as 'Taxonomy-aligned' investments)
- (ii) Sustainable Investments as described by SFDR (Also known as 'SFDR-aligned' investments)
- (iii) Investments which consider Principal Adverse Impacts on sustainability factors

Sustainability Investment Options:	Definitions:
Environmentally Sustainable Investment (Taxonomy-Aligned)	<p>EU Taxonomy-Aligned Investments:</p> <ul style="list-style-type: none"><li>• The EU Taxonomy is a classification system that translates the EU's climate and environmental objectives into criteria for specific economic activities for investment purposes.</li><li>• An EU Taxonomy-Aligned investment contributes substantially to one or more environmental objectives and does not significant harm to any of the remaining environmental objectives.</li><li>• The investment is carried out in compliance with minimum social safeguards and complies with (detailed) technical screening criteria established in the Climate Delegated Act.</li></ul>
Sustainable Investment (SFDR-Aligned)	<p>Sustainable Investments as defined by the SFDR:</p> <ul style="list-style-type: none"><li>• The SFDR was introduced to improve transparency in the market for sustainable investment products by making the sustainability profile of products more comparable and better understood by end-investors.</li><li>• Sustainable investments as defined in the SFDR are investments in an economic activity that contributes to an environmental or social objective.</li><li>• This is provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.</li></ul>
Principal Adverse Impacts	<p>Investments which consider Principal Adverse Impacts (PAIs) on sustainability factors:</p> <ul style="list-style-type: none"><li>• The investment considers negative, material, or likely to be material effects on sustainability factors.</li><li>• Sustainability factors include environmental, social and employee matters, respect for human rights, anti-corruption, and anti-bribery matters.</li></ul> <p><i>Information on how the underlying funds available across our multi-option products consider PAIs is available in the relevant fund literature.</i></p>

Please note, the three categories above should not be viewed as a hierarchy of 'doing good' as each contribute to a more sustainable world. There are no right or wrong answers in respect to sustainability preferences.

### Important Information

The HC Financial Risk Profiler is an illustrative tool designed to assist you in understanding your attitude to risk, and your capacity to bear investment loss; an important step before making an investment.

The HC Financial Risk Profiler does not constitute advice from HC Financial. It is very important that you review your overall situation and investment needs with a Financial Advisor prior to making an investment.

There are a number of important issues to consider when determining your attitude to risk and your capacity to bear investment loss; the HC Financial risk profile tool may only include some of these. It is important that you obtain professional advice and by signing your name below, you are confirming that:

- you have not received any advice from HC Financial; and
- that you understand that the HC Financial Risk Profiler is an illustrative tool and is not a substitute for professional advice from your Financial Advisor.

Name (print):

Signature:

Date:

**Please Save the completed form, download and send as an attachment to: [admin@hcgroupp.ie](mailto:admin@hcgroupp.ie)**

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