

ANNEX 1: KEY DEFINITIONS

Under the SFDR and the Taxonomy Regulation	
Financial Market Participant	<p>One of the following:</p> <ul style="list-style-type: none">• an insurance undertaking which makes available an insurance-based investment product (IBIP);• an investment firm which provides portfolio management;• an institution for occupational retirement provision;• a manufacturer of a pension product;• an alternative investment fund manager (AIFM);• a pan-European personal pension product (PEPP) provider;• a manager of a qualifying venture capital fund registered under the European venture capital funds (EuVECA) Regulation¹;• a manager of a qualifying social entrepreneurship fund registered under the European social entrepreneurship funds (EuSEF) Regulation²;• a management company of an undertaking for collective investment in transferable securities (UCITS management company); or• a credit institution which provides portfolio management.
Financial Product	<p>One of the following:</p> <ul style="list-style-type: none">• an investment portfolio (e.g. a managed/segregated account or discretionary/portfolio management);• an alternative investment fund (AIF);

¹ See [here](#).

² See [here](#).

	<ul style="list-style-type: none"> • an IBIP; • a pension product; • a pension scheme; • a UCITS; or • a PEPP. 		
AIFM	An “alternative investment fund manager” as defined in AIFMD, i.e. a legal person whose regular business is managing one or more AIFs.		
<div style="display: flex; justify-content: space-around;"> <div style="background-color: #ff4500; color: white; padding: 5px;">Under the SFDR</div> <div style="background-color: #ff4500; color: white; padding: 5px;">Under the Taxonomy Regulation</div> </div>			
Sustainable Investment	<p>An investment in:</p> <ul style="list-style-type: none"> • an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions or on its impact on biodiversity and the circular economy; or • an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations; or • human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow 	Environmentally Sustainable Investment	An investment in one or several economic activities that qualify as environmentally sustainable under this Regulation.
		Environmentally Sustainable Economic Activities	<p>An economic activity that qualifies as environmentally sustainable in accordance with the following cumulative criteria:</p> <ul style="list-style-type: none"> • contributes substantially to one or more of the Environmental Objectives in accordance with the more detailed rules in the Taxonomy Regulation on how this can be achieved for each Environmental Objective; • does not significantly harm any of the Environmental Objectives in

	good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.		<p>accordance with the more detailed rules in the Taxonomy Regulation on what constitutes significant harm for each Environmental Objective;</p> <ul style="list-style-type: none"> • is carried out in compliance with the minimum safeguards laid down in the Taxonomy Regulation; and • complies with the technical screening criteria that have been or will be established by the European Commission.
Sustainability Factors	Environmental, social and employee matters, respect for human rights, anticorruption and anti-bribery matters.	Environmental Objectives	<ul style="list-style-type: none"> • Climate change mitigation. • Climate change adaptation. • The sustainable use and protection of water and marine resources. • The transition to a circular economy. • Pollution prevention and control. • The protection and restoration of biodiversity and ecosystems.
Sustainability Risk	An environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material adverse impact on the value of the investment.		
Principal Adverse Impacts	The impacts of investment decisions and advice that have a negative effect on the Sustainability Factors.		