

INFORMATION ON THE APPROACH TO SUSTAINABILITY IN FINANCIAL SERVICES

1. Introduction

The aim of this document is to transparently inform prospective clients of the company **RENOMIA, a. s.**, with registered office at Holandská 874/8, Štýřice, 639 00 Brno, ID No.: 48391301 as an independent insurance intermediary (hereinafter referred to as the "**Company**") or the Company's clients about the Company's approach to sustainability issues in the financial services sector, in accordance with REGULATION (EU) 2019/2088 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 November 2019 on sustainability-related disclosures in the financial services sector (hereinafter referred to as the "**SFDR Regulation**"), which is effective as of 10 March 2021 (except for certain provisions). The SFDR sets out harmonised rules for financial market participants and financial advisers on transparency regarding the integration of sustainability risks and the consideration of adverse sustainability impacts into their practices and on the provision of sustainability-related information in relation to financial products.

The Company is, as defined in the SFDR, a financial adviser (i.e. a provider of advice on the distribution of insurance-based investment product) and is therefore subject to certain obligations under the SFDR.

2. Explanation of some concepts

For the purposes of the SFDR, the following terms shall mean:

- a) **'sustainable investment'** means an investment in an economic activity that contributes to environmental objectives, such as investments measured, for example, by key resource efficiency indicators on energy use, renewable energy, raw materials, water and land, waste production, greenhouse gas emissions, or indicators on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to social objectives, in particular an investment that contributes to addressing inequalities, or investments that promote social cohesion, social integration and labour relations, or investments in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly undermine any of these objectives and that the companies in which the investment is made comply with good governance practices, in particular with regard to sound management structures, employee relations, remuneration of relevant employees and compliance with tax rules;
- b) **'sustainability risk'** means an environmental, social or administration and management event or situation which, if it were to occur, could have an actual or potential significant adverse impact on the value of the investment;
- c) **"sustainability factors"** environmental, social and labour issues, respect for human rights and anti-corruption and anti-bribery issues.

3. Distribution of reserve-forming life insurance

The company is an independent insurance intermediary providing advice on the distribution of reserve-forming (life) insurance and is therefore required to disclose on its website information on its policies for

incorporating sustainability risks into its advice and whether it considers the main adverse impacts on sustainability factors in its advice. The Company fulfils these obligations in particular through this document.

In providing advice in relation to insurance-based investment product, the Company takes into account the main adverse impacts on sustainability factors, in particular through the following practices (i.e. policies to incorporate sustainability risks):

- The Company has integrated sustainability into its insurance product governance system.
- In determining the target market for a particular insurance product with a reserving (investment) component (i.e. reserve-forming life insurance), the Company also takes into account whether the financial (investment) instrument forming the reserving component of the insurance product has the objective of promoting environmental or social characteristics, or whether it has the objective of having a positive impact on the environment and society, or whether it has neither of these objectives.¹
- If possible (e.g., given the client's needs and objectives), the Company will recommend to the client an insurance product with a reserve-forming component consisting of a financial (investment) instrument that aims to promote environmental or social features or that aims to have a positive impact on the environment and society.

The Company is also required under the SFDR to inform its clients prior to providing advice of

- the way in which sustainability risks are integrated into its advice; and
- the result of the assessment regarding the likely impact of sustainability risks on the return of the financial products constituting the reserving component of the recommended insurance product.

The first of the above information is provided by the Company to its clients through this document, which is part of the documentation provided to clients prior to the provision of services. The Company is only able to inform the client of the result of the assessment regarding the probable impact of the sustainability risks on the return of the financial product constituting the reserving component of the recommended insurance product only when it provides consultancy services. It is possible to inform the clients in general and in advance only about the fact that the return on any investment may also be adversely affected by an environmental, social or administration and management event or situation.

4. Remuneration principles

The Company is required by the SFDR to include in its remuneration policy information on how consistent the policy is with the integration of sustainability risks and to disclose this information on its website. The Company fulfils this obligation through this document.

The Company's remuneration policy is consistent with the inclusion of sustainability risks as it does not in any way incentivise the Company's staff to take excessive risks in relation to sustainability risks when providing services to clients.

5. Conclusion

The information contained in this document should be viewed as initial (basic) information disclosed by the Company pursuant to the basic obligations imposed on the Company by the SFDR, whereas the information

¹ Provided that the insurance company has already published and made available this information in accordance with the SFDR.

will be further refined following the adoption of subsequent legislative provisions and the issue of interpretative opinions by the competent authorities.

RENOMIA, a. s.