

# Fund Factsheet



Krungthai Asset Management  
Public Company Limited

Anti-corruption standing: Certified  
by CAC

Krungthai Korkarndee ESG RMF (KT-ESG RMF)

Equity Fund

Index Fund

Cross Investing Fund

Retirement Mutual Fund : RMF

Fund with No Foreign Country Risk



What are you investing in?



Who is this fund suitable for?



Points to consider



Portfolio breakdown



Fees



Fund performance



Other information

Investment in a fund is not the same as cash deposits



## What are you investing in?

The fund will invest in equity securities, averaging at least 80% of NAV during the financial year, by deploying a Passive Management Strategy. The policy is to invest in equity securities of companies listed on the Stock Exchange of Thailand and/or mai and/or other secondary bourses covered by the SET, or in equity securities or other assets that are constituents of the Thaipat ESG Index (TR). Emphasis will be in companies with outstanding environmental, social, and governance aspects at portfolio weightings equal to, or nearly similar to, the weightings of the constituents in the index itself. This includes constituents pending inclusion or removal from the index too. The fund aims to generate returns that closely track the performance of the Thaipat ESG Index (TR).

At any one time, the fund may not always possess all of the constituents represented in the index. KTAM reserves the rights to adopt a new reference benchmark to track performance instead of using the Thaipat ESG Index (TR) in circumstances where this index is discontinued or no longer administered or if KTAM assesses that another index is more suitable. However, the newly selected index must be measured against an investment in the SET and also compatible with the Thaipat ESG Index (TR) or the fund's investment policy. Permission to replace the index as described above shall consider to have already been approved by the fund's unitholders. If KTAM is unable to find a suitable price index to use as a performance benchmark for the fund, KTAM reserves the rights to dissolve the fund scheme.

The fund may invest in other funds, property funds, real estate investment trusts (REITs), and infrastructure funds under management by KTAM at up to 100% of fund NAV. However, if the target fund or master fund is a property fund (Type 1) and infrastructure fund, maximum weight is capped at one-third of total units outstanding of the target fund. Investment in another fund must adhere to the fund's investment policy framework as prescribed by SEC guidelines and terms. The master fund is not allowed to route investment back into the feeder fund (Circle Investment) and no master fund may cross-invest in another master fund (Cascade Investment) managed by the same asset management company. The remaining portfolio weight may be allocated to investments beyond those described above, such as into fixed income securities, hybrid securities, financial instruments, cash deposits, and/or units of CIS or infrastructure or property funds, and/or units of ETF funds, etc. This also includes one or several securities or assets or means of generating returns which are approved by the SEC.

The fund may invest or hold derivatives in its portfolio for hedging or performance enhancement (Efficient Portfolio Management) purposes in compliance with SEC guidelines.

KTAM reserves the rights to change the fund type into a flexible fund in cases where the weight or type of securities represented in the index changes to the degree that the structure no longer fits the fund type as classified by SEC or Capital Market Supervisory Committee guidelines. Doing so will allow the fund to align its investment more closely with the benchmark index which is the fund's intention and for the best interest of unitholders. KTAM will inform unitholders at least 60 days in advance before change of fund type and unitholders will be allowed to redeem without subjected to an exit fee during that period; a notice will be posted on the website.

**Portfolio Strategy:** To track the benchmark (Passive Management / Index Tracking)



# Who is this fund suitable for?

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- Investors seeking the prospects of achieving attractive returns while able to accept price volatility of securities in the fund's portfolio, which may either gain or decline below the original purchase price to result in a loss.
- Investors with a medium to long term investment horizon, settings sights on achieving better financial returns than general fixed income investments.
- As this is a RMF fund, investors should regularly invest for a period of at least 5 years and hold the units until the age of 55 to meet legal requirements

## This fund is **not suitable** for

- Investors who require certainty of investment return or full protection of principal.

## If the fund's policy and risks are still unclear to you

- Read the full prospectus or consult the selling agent or KTAM.
- **Do not invest without sufficiently understanding the fund's characteristics and risks.**



## Points to consider

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### Points to consider

- Investors should thoroughly review information regarding tax benefits described in the RMF manual.
- Investors are not permitted to distribute, transfer, mortgage, or pledge the units.
- Investors should regularly invest for a period of at least 5 years and hold the units until the age of 55 to meet legal requirements.
- The fund may invest in derivatives for purposes other than hedging risks, such as for more efficient portfolio management. Leveraging can amplify the amount of gain or losses compared to directly investing in the underlying securities, therefore the fund may contain higher risks than funds which only invest in the underlying securities directly.
- Investment in derivatives for purposes other than hedging, such as to achieve efficient portfolio management, creates more risks than other general funds. As such, the fund is more suitable for investors aiming for a higher risk-return tradeoff. Only invest after you are familiar with the risks of investing in derivatives; carefully gauge whether the investment is suitable with your investment expertise, objectives and financial status.
- Since the fund may invest and hold derivatives for efficient portfolio management purposes, the returns generated by gains or loss on the futures price may not be identical to the price movement of the underlying's spot prices.
- The fund is permitted to invest in other funds managed by KTAM without any portfolio weighting restrictions. This may lead to a conflict of interests arising from cross investment in funds managed by the same asset management company. KTAM will establish procedures to prevent transactions which could lead to a conflict of interests in order to uphold the best interests of both the unitholders of the acquiring fund as well as the target fund. Unitholders may obtain further information on this matter from KTAM or our website [www.ktam.co.th](http://www.ktam.co.th)

## Risk Scale



### Key investment risks

#### Price Volatility

	Low				High
Standard Deviation (SD)	< 5%	5-10%	10-15%	15-25%	> 25%

#### Investment

	Low				High
Investment Emphasis	general	large cap	mid/small	sector	

#### Issuer Concentration

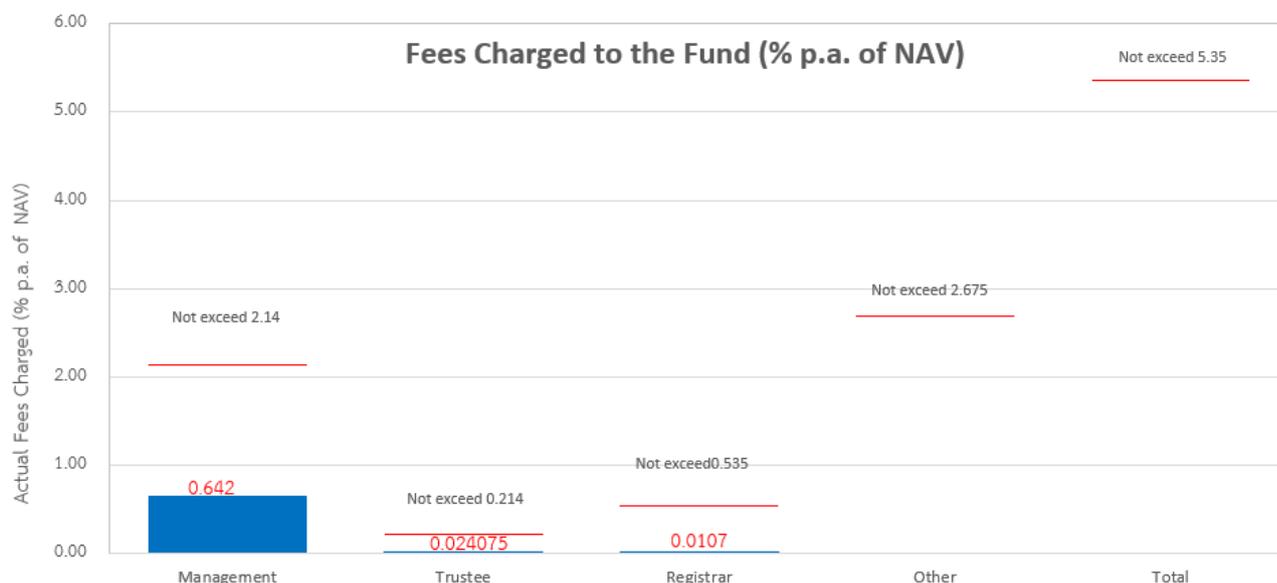
	Low				High
Issuer Concentration	≤ 10%	10-20%	20-50%	50-80%	>80%

\* More information available at [www.ktam.co.th](http://www.ktam.co.th)



## Fees

\* Fees affect your investment returns. Review the fees before making an investment. \*



### Remarks

- \* Rates shown include VAT, special business tax, and other similar taxes (if any).
- \*\* When investing in another fund managed by KTAM (target fund), the company will not charge additional management fee on top of the fee for the target fund in order to prevent double-layering of fees. For example, if the acquiring fund has a NAV of 1.0 billion Baht and invests 100 million Baht in a target fund, KTAM will charge management fees as follows: (1) the 900 billion Baht of the acquiring fund will be charged the management fee quoted by the acquiring fund and (2) the 100 million Baht investment will be charged at the rate quoted by the target fund.

### Fees charged to the unitholder (% of transaction value)

Transaction	Maximum rate	Actual rate
Front end fee <sup>(1)(2)</sup>	3.21	Currently waived
Back end fee <sup>(1)(2)</sup>	3.21	Currently waived
Switch-in fee <sup>(1)</sup>	3.21	Currently waived
Switching-out fee <sup>(1)</sup>	3.21	Currently waived
(1) Switch-out to another fund managed by KTAM		
(2) Switch-out to a fund managed by another asset management company	Charges determined by either one of the following methods: - Not more than 3.21% of unit value based on NAV of day	200 per transaction

	preceding the transaction; minimum 200 Baht. - 200 per transaction	
Transfer fee	None	None
Fee to Issue Certificate of Fund Ownership	As charged by registrar	As charged by registrar
Brokerage fees and costs associated with purchase, sale, or switching of units <sup>(1)(3)</sup>	0.535	Currently waived

**Note:** Rates shown above include VAT, special business tax and other relevant taxes.

<sup>(1)</sup> KTAM reserves the right to apply different front end, back end, switching, and brokerage fees and charges for different unitholder classes and shall notify at least 7 days in advance by displaying an announcement at the office of KTAM and/or selling agents (if any) and/or KTAM website.

<sup>(2)</sup> If the fund invests in another fund managed by KTAM (target fund), the company will not charge front-end fees and/or back-end fees on top of the fees for the target fund to prevent double-layering of fees. For example, if the acquiring fund has a NAV of 1.0 billion Baht and invests 100 million Baht in a target fund, KTAM shall only apply front-end and/or back-end fees only on the 1.0 billion Baht amount at rates quoted by the acquiring fund. The target fund shall not charge additional front end and/or back end fees from the acquiring fund.

<sup>(3)</sup> Brokerage fees will be calculated and included into the purchase or redemption price, as appropriate, to pay for fees and expenses charged by the fund when securities are transacted and brokerage expenses are levied on the fund.



## Fund performance

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\* Past performance record does not guarantee future performance \*

Benchmark: Thaipat ESG Index (TR)

Performance measurement category at point of sale: Equity General

\* Updated information available at <https://www.aimc.or.th>



## Other information

Dividend Policy	No dividends
Trustee	Siam Commercial Bank Public Co., Ltd.
Registration Date	As scheduled by the SEC
Maturity Date	None
Purchase and Redemption	<p><b>Purchases</b></p> <p><u>IPO subscription period</u>: During 13-20 November 2019, from start of office hours of KTAM or selling agents (if any) until 15.30 hrs.</p> <p><u>After IPO</u>: After the IPO subscription period is over, KTAM will resume accepting purchase orders again from 25 November 2019 onwards, or the next business day if that date is a holiday. Investors may place purchase orders at KTAM or selling agents (if any) on any trading day between the start of office hours until 15.30 hrs.</p> <p>Min initial purchase: 500 Baht Min subsequent purchase: 500 Baht</p> <p><b>Redemptions</b></p> <p>After the IPO subscription period is over, KTAM will resume accepting redemption orders again from 25 November 2019 onwards, or the next business day if that date is a holiday. Investors may place redemption orders at KTAM or selling agents (if any) on any trading day between the start of office hours until 15.30 hrs.</p> <p>- Min redemption (value): None - Min redemption (units): None - Min outstanding balance (value): None - Min outstanding balance (units): None - Settlement period: Within 5 business days after calculation of NAV, NAV per unit and unit price. Payment generally settled T+3 business days after the redemption date.</p> <p>Daily NAV information available at <a href="http://www.ktam.co.th">www.ktam.co.th</a></p>

Portfolio Managers	Name-Surname	Date of Appointment
	Mr. Ratchawut Chaisubanan	Fund registration date
Selling Agents	In the future, KTAM may appoint additional selling agents or dismiss any selling agent. Potential investors may contact KTAM to obtain a list of selling agents.	
Inquiries, Prospectus, Complaints	Krung Thai Asset Management Public Company Limited 1 Empire Tower, 32nd Fl., South Sathorn Rd., Yannawa, Sathorn, Bangkok 10120 Telephone : 0-2686-6100 Website : <a href="http://www.ktam.co.th">www.ktam.co.th</a> Email : <a href="mailto:callcenter@ktam.co.th">callcenter@ktam.co.th</a>	
Conflict of Interests	The fund is permitted to cross invest in other funds managed by KTAM, without portfolio weight restrictions. KTAM will establish procedures to prevent transactions which could lead to a conflict of interests which may stem from the policy to permit cross investment in funds under the same management, in order to uphold the best interests of both the unitholders of the acquiring fund as well as the target fund. Unitholders may obtain further information on this matter from KTAM or our website <a href="http://www.ktam.co.th">www.ktam.co.th</a>	

- Investment in funds differ from bank deposits and is not protected by the Deposit Protection Agency. As such, there is investment risk exposure and the investor may not recover the full amount invested.
- The fund is registered and supervised by the Securities and Exchange Commission.
- A draft of the fund prospectus that is reviewed by the SEC and used to support the launch and purchase of the fund units is not an endorsement by the SEC that the information presented is accurate, nor does it guarantee the value or financial returns of units offered for purchase. As fund manager, KTAM has carefully audited the information in the fact sheet as of 11 November 2019 and confirm that the information is accurate, truthful, and not misleading.

*“Important Notice: This document has been translated from Thai. If there is any inconsistency or ambiguity between the English version and the Thai version, the Thai version shall prevail.”*

## Glossary

**Price fluctuations or Market Risk** means the value of securities held may increase or decline due to external factors such as economic and investment climate, interest rates, local or foreign political factors, etc. Risk can be assessed from the fund's Standard Deviation (SD); a high SD figure indicates that the fund is very susceptible to fluctuations in securities prices.

**Interest Rate Risk** refers to the risk that securities prices will shift in the opposite direction to changes in interest rates. This risk is also greater for debt instruments with a longer maturity remaining because interest rate changes will have a more pronounced impact on the instrument's price.

**Business Risk** surrounding the issuer refers to the uncertainty arising from its financial position or business performance which could cause the share price of those companies to rise or fall.

**Derivatives Risk.** Risk exposure from the fund's investment in derivatives for hedging purposes or for efficient portfolio management purposes. The value of derivatives can be more volatile than the underlying securities. By investing in derivatives, the value of the fund's asset value will have greater price volatility compared to actual holdings in the underlying securities. When derivatives are used to increase portfolio efficiency, the fund will inherently contain more risks than general funds that only invests in the underlying securities.

**Credit Risk** refers to uncertainty regarding an issuer's ability to repay principal and/or interest when due as a result of the issuer's deteriorating financial position. This can negatively impact the net asset value of the fund.

This can be gauged from the credit ratings of various debt instruments which assesses the debt servicing ability of the issuer by taking into consideration the issuer's past operating performance and financial strength.

Grade	TRIS	Fitch	Moody's	S&P	Remarks
Investment grade	AAA	AAA(th)	Aaa	AAA	Highest rating denotes <u>lowest risk</u> of default on debt obligations
	AA	AA(th)	Aa	AA	Next highest rating denotes <u>very low</u> risk of default on debt obligations
	A	A(th)	A	A	<u>Low risk</u> of default on debt obligations

Grade	TRIS	Fitch	Moody's	S&P	Remarks
	BBB	BBB(thi)	Baa	BBB	<u>Moderate risk</u> of default on debt obligations
Non-investment grade	Below BBB	Below BBB(thi)	Below Baa	Below BBB	<u>High risk</u> of default on debt obligations

**Liquidity Risk.** Uncertainty regarding the ability to trade some securities within an intended time frame or price level due to limited trading opportunities.

**Tracking Error Risk** refers to the uncertainty regarding closely the fund's performance will align with the performance of the benchmark. The fund's actual performance may not always be completely aligned with the performance of the benchmark due to various factors such as fund's fees and costs, etc.