Equity

**Africa & Middle East Equity**
Africa & Middle East Equity funds invest primarily in African & Middle Eastern companies. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in African & Middle Eastern equities.

Morningstar Category Index: S&P Mid-East and Africa BMI TR

**ASEAN Equity**
ASEAN Equity funds invest primarily in the equities of ASEAN member countries. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in ASEAN equities. Their exposure to a single ASEAN country is typically less than 75% of equities.

Morningstar Category Index: FTSE ASEAN TR

**Asia-Pacific ex-Japan Equity**
Asia-Pacific ex-Japan Equity funds cover a wide geographic range. Most of these funds focus on export-oriented nations such as Hong Kong, Singapore, Taiwan and Korea. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in Pacific Countries, with less than 10% in Japan.

Morningstar Category Index: MSCI AC Asia Pacific Ex Japan NR

**Asia-Pacific with Japan Equity**
Asia-Pacific with Japan Equity funds have a wider investment range than other Asia-oriented funds. These funds can invest throughout the Pacific Rim, including Australia and New Zealand. As a result, country weightings for these funds vary tremendously, though most retain some exposure to Japan and Hong Kong. These funds invest at least 75% of total assets in equities, and invest at least 75% of equities in Pacific countries, including at least 15% in Japan.

Morningstar Category Index: MSCI AC Asia Pacific NR

**Brazil Equity**
Brazil Equity funds invest primarily in Brazilian companies. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in Brazilian equities.

Morningstar Category Index: MSCI Brazil NR

**BRIC Equity**
BRIC Equity funds invest primarily in equities listed or domiciled in Brazil, Russia, India, and China. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in Brazilian, Russian, Indian, and Chinese equities. BRICK funds, which also include Korea, are included in this category.

Morningstar Category Index: MSCI BRIC
China Equity
China Equity funds invest primarily in Chinese companies listed on the stock exchanges in China and Hong Kong, and companies that derive significant revenues from or have substantial business ties with the China market. These funds invest at least 75% of total assets in equities, and at least 75% of equity assets in Chinese or China-related companies defined as above. The funds usually invest less than 10% of total assets in Taiwanese equities.
Morningstar Category Index: MSCI China NR

Emerging Europe Equity
Emerging Europe Equity funds invest primarily in the equities of companies based in Emerging Europe. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in Emerging Europe equities.
Morningstar Category Index: MSCI EM Eastern Europe NR

Emerging Markets Equity
Emerging Markets Equity funds tend to divide their assets among several emerging markets in Asia, Latin America, Europe, Middle East and/or Africa. These funds invest at least 75% of their total assets in equities, and invest at least 75% of equity assets in emerging markets equities.
Morningstar Category Index: MSCI Emerging Markets NR

Europe Equity
Europe Equity funds invest primarily in the equities of companies based in Europe across a range of markets. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in European equities.
Morningstar Category Index: MSCI Europe NR

Global Equity
Global Equity funds invest primarily in the equities of companies globally across a range of markets. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in Global equities.
Morningstar Category Index: MSCI AC World NR

India Equity
India Equity funds invest primarily in Indian companies. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in Indian equities.
Morningstar Category Index: MSCI India NR

Japan Equity
Japan Equity funds invest primarily in the equities of Japanese companies. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in Japanese equities.
Morningstar Category Index: MSCI Japan NR
Korea Large-Cap Equity
Korea Large-Cap Equity funds invest primarily in the equities of large-cap South-Korean companies. Equities in the top 70% of the capitalisation of the Asia-Pacific ex-Japan equity market are defined as large-cap. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in South-Korean equities.
Morningstar Category Index: KOSPI200 PR

Korea Small/Mid-Cap Equity
Korea Small/Mid-Cap Equity funds invest primarily in the equities of small-cap and mid-cap South-Korean companies. Their holdings typically fall in the bottom 30% of the capitalisation of the Asia-Pacific ex-Japan equity market. These funds invest at least 75% of their total assets in equities, and invest at least 75% of equity assets in South-Korean equities.
Morningstar Category Index: KOSPI PR

Latin America Equity
Latin America Equity funds invest mainly in Latin American companies across a range of markets. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in Latin American equities.
Morningstar Category Index: MSCI EM Latin America NR

Russia Equity
Russia Equity funds invest primarily in the equities of companies based in Russia. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in Russian equities.
Morningstar Category Index: MSCI Russia NR

US Equity
US Equity funds invest primarily in the equities of US companies. These funds invest at least 75% of total assets in equities, and invest at least 75% of equity assets in US equities.
Morningstar Category Index: MSCI USA NR

Other Equity
Other Equity funds invest in the equities of companies from one or more countries that are not included in other Morningstar categories. For example, they can be funds that focus on two countries such as Russia and Brazil, etc. These funds invest at least 75% of total assets in equities.
[Funds in this category do not receive a Morningstar Rating™.]
Sector Equity

Sector Equity Alternative Energy
Sector Equity Alternative Energy funds invest primarily in the equities of companies in the solar power, hydro-electric power, wind power, and nuclear energy industries. Most invest in a range of companies, buying across the alternative energy spectrum, but some funds may concentrate on a single industry segment, such as nuclear energy. These funds invest at least 75% of total assets in equities, and invest at least 50% of equity assets in alternative energy companies.
Morningstar Category Index: S&P Global Clean Energy TR

Sector Equity Consumer Goods & Services
Sector Equity Consumer Goods and Services funds invest primarily in the equities of companies that manufacture or provide consumer goods or services. These funds invest at least 75% of total assets in equities and invest at least 50% of equity assets in the consumer goods and/or consumer services sectors.
Morningstar Category Index: 50% MSCI World/Cnsmr Dsctrnty NR, 50% MSCI World/Cnsmr Staples NR

Sector Equity Ecology
Sector Equity Ecology funds invest primarily in the equities of companies whose products or services actively promote a cleaner environment. Most invest in a range of companies, including alternative energy, pollution control, water treatment and energy efficiency companies. A few funds may concentrate on just one industry segment, such as pollution control. These funds invest at least 75% of total assets in equities, and invest at least 50% of equity assets in ecology companies.
Morningstar Category Index: MSCI AC World NR

Sector Equity Financial Services
Sector Equity Financial Services funds invest primarily in the equities of companies in the financial services sector, including banks, brokerage firms, insurance companies and consumer credit providers. These funds invest at least 75% of total assets in equities, and invest at least 50% of equity assets in financial services companies.
Morningstar Category Index: MSCI World/Financials NR

Sector Equity Infrastructure
Sector Equity Infrastructure funds invest primarily in the equities of companies that are involved in the provision or maintenance of essential infrastructure. Such companies may include electric and gas utilities, water utilities, roads and railways, airports, and communication networks. Most funds invest in a range of companies, but a few funds concentrate on just one industry segment. These funds invest at least 75% of total assets in equities, and invest at least 50% of equity assets in infrastructure companies.
Morningstar Category Index: S&P Global Infrastructure TR
**Sector Equity Natural Resources**

Sector Equity Natural Resources funds invest primarily in the equities of companies involved in the extraction or sale of natural resources. Most invest in a range of companies, including energy, mining, timber, and water issues, but some may focus on a single industry segment. These funds invest at least 75% of total assets in equities, and invest at least 50% of equity assets in natural resource companies.

Morningstar Category Index: S&P Global Natural Resources TR

**Sector Equity Real Estate Indirect**

Sector Equity Real Estate Indirect funds invest primarily in the securities of real-estate companies, including those of real-estate investment trusts (REITs). They do not invest significant amounts directly in “bricks and mortar”. Some funds concentrate on a certain segment of the real estate market, such as companies or trusts that own office buildings or residential properties. These funds invest at least 75% of total assets in equities, invest at least 50% of equity assets in real-estate securities. This category excludes indirect real-estate funds focused on Asia, but includes all other regional and global funds.

Morningstar Category Index: MSCI World/Real Estate NR

**Sector Equity Real Estate Indirect – Asia**

Sector Equity Real Estate Indirect – Asia funds invest primarily in the securities of Asian real-estate companies, including those of real-estate investment trusts (REITs). They do not invest significant amounts directly in “bricks and mortar”. Some funds concentrate on a certain segment of the real estate market, such as companies or trusts that own office buildings or residential properties. These funds invest at least 75% of total assets in equities, and invest at least 50% of equity assets in real-estate securities, with at least 75% of equity assets invested in Asia.

Morningstar Category Index: FTSE EPRA/NAREIT Dvlp Asia TR

**Sector Equity Technology**

Sector Equity Technology funds invest primarily in the equities of companies in the hardware and software sectors. Most concentrate on computer, semiconductor, software, networking and internet-related equities. Some concentrate on a single technology industry. These funds invest at least 75% of total assets in equities, and invest at least 50% of equity assets in the hardware and software sectors.

Morningstar Category Index: MSCI World/Information Tech NR

**Sector Equity Other**

Sector Equity Other funds have meaningful sector concentrations, but do not fit in a Sector Equity category. These funds invest at least 75% of total assets in equities. They concentrate their assets in less than four sectors, and invest more than 10% of equity assets in each of those sectors.

[Funds in this category do not receive a Morningstar Rating™.]
Allocation

**Asia Pacific Cautious Allocation**
Asia Pacific Cautious Allocation funds have a mandate to commit diversified investment in multiple assets such as stocks, bonds, etc. Their portfolios typically have 0% to 50% of their total assets in stocks from the Asia-Pacific markets and the remainder in fixed income and cash.

Morningstar Category Index: 30% MSCI AC Asia Pacific Ex JPN NR & 70% MKBP Composite

**Global Aggressive Allocation**
Global Aggressive Allocation funds have a mandate to commit diversified investment in multiple assets such as stocks, bonds, etc. These funds tend to hold a larger position in stocks than Global Cautious Allocation funds. Their portfolios typically have 50% to 100% of their total assets in stocks from global and developed markets and the remainder in fixed income and cash.

Morningstar Category Index: 60% MSCI AC WORLD NR, 40% MKBP Composite

**Global Cautious Allocation**
Global Cautious Allocation funds have a mandate to commit diversified investment in multiple assets such as stocks, bonds, etc. These funds tend to hold a smaller position in stocks than Global Aggressive Allocation funds. Their portfolios typically have 0% to 50% of their total assets in stocks from global or developed markets and the remainder in fixed income and cash.

Morningstar Category Index: 30% MSCI AC WORLD NR, 70% MKBP Composite

**Korea Aggressive Allocation**
Korea Aggressive Allocation funds have a mandate to commit diversified investment in multiple assets such as stocks, bonds, etc. These funds tend to hold a larger position in stocks than Korea Cautious Allocation funds. Their portfolios typically have 50% to 100% of their total assets in Korea equities and the remainder in fixed income and cash.

Morningstar Category Index: 60% KOSPI PR, 40% MKBP Composite

**Korea Cautious Allocation**
Korea Cautious Allocation funds have a mandate to commit diversified investment in multiple assets such as stocks, bonds, etc. These funds tend to hold a smaller position in stocks than Korea Aggressive Allocation funds. Their portfolios typically have 0% to 50% of their total assets in Korea equities and the remainder in fixed income and cash.

Morningstar Category Index: 30% KOSPI PR, 70% MKBP Composite

**Life Cycle**
Life Cycle funds provide diversified exposure to equities, bonds, and cash for the investor’s age, retirement timing or another goal. These portfolios aim to provide investors with an optimal level of return and risk, based solely on the target date. These portfolios get more conservative as the goal date approaches by investing more in bonds and cash.

[Funds in this category do not receive a Morningstar Rating™.]
Other Aggressive Allocation
Other Aggressive Allocation funds have a mandate to commit diversified investment in multiple assets such as stocks, bonds, etc. These funds tend to hold a larger position in stocks than Other Cautious Allocation funds. Their portfolios typically have 50% to 100% of their total assets in stocks and the remainder in fixed income and cash. These funds do not fit into any existing Allocation categories.
[Funds in this category do not receive a Morningstar Rating™.]

Other Cautious Allocation
Other Cautious Allocation funds have a mandate to commit diversified investment in multiple assets such as stocks, bonds, etc. These funds tend to hold a smaller position in stocks than Other Aggressive Allocation funds. Their portfolios typically have 0% to 50% of their total assets in stocks and the remainder in fixed income and cash. These funds do not fit into any existing Allocation categories.
[Funds in this category do not receive a Morningstar Rating™.]
Fixed Income

Korea Bond
Korea bond funds invest in fixed-income issues and/or money market instruments in the Korea market.
Morningstar Category Index: MKBP Composite

Korea Corporate Bond
Korea Corporate Bond funds invest in corporate-issued securities in the Korea market.
Morningstar Category Index: MKBP Composite Unsecured Corporate

Global Bond
Global Bond funds invest in a diversified portfolio of principally investment grade bonds denominated in a diverse range of currencies. Some Global Bond funds follow a conservative approach, favoring high-quality bonds from developed markets. Others are more adventurous and own stakes in lower-quality bonds or emerging-market bonds. Some portfolios invest exclusively outside Korea, while others include Korea in their investable universe. Currency hedging policies among funds in this category range from fully hedged to KRW, to unhedged.
Morningstar Category Index: Barclays Glbl Agg TR

Global Emerging Markets Bond
Global Emerging Market Bond funds are dedicated to fixed income securities of issuers in emerging market countries. They should invest across the global emerging markets universe without a country or regional focus. Funds may invest in either or both hard and local currency issuance. Currency hedging policies among funds in this category range from fully hedged to KRW, to unhedged.
Morningstar Category Index: JPM EMBI Global TR

Global High Yield Bond
Global High Yield Bond funds invest in sub-investment grade securities with a credit quality equivalent to BB, or lower. They invest globally across the currency spectrum. Some funds can be funds that focus on some countries or regions. Currency hedging policies among funds in this category range from fully hedged to KRW, to unhedged.
Morningstar Category Index: BofAML Global HY Constrained TR

Other Bond
Other Bond funds have meaningful fixed income concentrations, but do not fit into an existing Fixed Income category.
[Funds in this category do not receive a Morningstar Rating™.]

Money Market
Money Market funds invest in money market instruments in the Korea market in order to provide a level of current income that is consistent with the preservation of capital. They invest in short-term money market securities and the residual aggregate maturity does not exceed 12 months.
[Funds in this category do not receive a Morningstar Rating™.]
**Equity/Derivative Linked**
ELF/DLF invests in primarily in ELS, ELB, or DLS. ELS/DLF seeks to generate the predefined profit and loss. These securities are structured as financial instruments where returns are predetermined linked to the underlying equity (usually stock), equity indices, and/or derivatives. ELF/DLF’s returns (profit and loss) are closely linked to that of the underlying ELS, ELB and/or DLS.
[Funds in this category do not receive a Morningstar Rating™.]

**Derivative Commodities**
Derivative Commodities funds invest primarily in derivative instruments that give them exposure to various commodities. These commodities include metals, agricultural goods, and energy, among others. These funds may also take short positions in commodities via derivatives.
[Funds in this category do not receive a Morningstar Rating™.]

**Leveraged Equity**
These funds seek to generate returns equal to a fixed multiple of returns of an equity index. The compounding of returns results in performance that does not correspond to those of investing in the index with external leverage over a longer holding period. For example, a fund attempting to achieve 2x the returns of a given index on a daily basis is unlikely to deliver anything like 2x the index’s returns over periods longer than one day. Many of these funds seek to generate a multiple of the daily or weekly return of the reference index. (Inverse Equity funds are to be excluded from Leveraged/Inverse Equity to be re-classified into Other. (as of April 2015)
[Funds in this category do not receive a Morningstar Rating™.]

**Other**
All funds which do not currently fit into any other Morningstar category.
[Funds in this category do not receive a Morningstar Rating™.]

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