

## No consideration of adverse impacts of investment decisions on sustainability factors

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## Introduction

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IRE AIFM Hub (the “AIFM”) is an alternative investment manager pursuant to Chapter 2 of the Law dated 12 July 2013 relating to alternative investment fund managers, as amended from time to time (the “AIFM Law”).

The present document purports to fulfil the requirement (the “Requirements”) of Article 4 of 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 (“SFDR”):

- *“Financial market participants shall publish and maintain on their websites: (i) where they consider principal adverse impacts of investment decisions on sustainability factors, a statement on due diligence policies with respect to those impacts, taking due account of their size, the nature and scale of their activities and the types of financial products they make available; or (ii) where they do not consider adverse impacts of investment decisions on sustainability factors, clear reasons for why they do not do so, including, where relevant, information as to whether and when they intend to consider such adverse impacts.”*

Furthermore, with reference to Article 7 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (“EU Taxonomy”), supplementing art 6 of SFDR, it should be noted that currently, the investments underlying the financial products (the assets of the IRE AIFM’s funds under management), do not take into account the EU criteria for environmentally sustainable economic activities.

## Articles 4 & 7 SFDR disclosure - Consideration of principal adverse impact

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### **No integration of principal adverse impact**

In conformity with SFDR, AIFMs are expected to comply with a series of sustainability-related disclosure requirements. IRE AIFM hub (being below the 500 employees threshold set out in article 4.3 of SFDR) states for the time being that it does not consider Principal Adverse Impacts (“PAIs”) at entity level. PAIs are defined as adverse effects on sustainability of the investment decision and/or the investment advice.

IRE AIFM Hub considers that non-financial data is still not available in satisfactory quality and quantity to allow it to adequately assess the potential adverse impact of all their investment decisions on sustainability factors in particular for unlisted assets. Moreover, this decision is taken considering the current legislation framework and best practice that are likely to see further evolution and implementation.

It should be noted that at the time of approval of this policy, no fund managed by AIFM takes PAIs into consideration. This is because no fund in AIFM's portfolio has sustainable investments as its objective or actively promotes social or environmental characteristics .

The approach to ESG and sustainable investments of the funds under management may evolve and develop over time. This position shall remain subject to ongoing review in line with the regulatory developments. IRE AIFM Hub shall periodically reassess the integration of sustainability risks, PAI statements, policies adopted and reporting made in respect of the funds under management to ensure their continued appropriateness.

This Statement is subject at least to annual review.