Impact Orange Partners

Impact Orange Partners SFDR statement

On 10 March 2021, the European Sustainable Finance Disclosure Regulation ("SFDR") became applicable. This regulation is part of the wider efforts at European level to make the financial sector more sustainable. This is something that fits in well with the mission of Impact Orange Partners and which we therefore support.

The regulation requires financial undertakings, including Impact Orange Partners (IOP), to disclose information on how they take into account environmental, social and governance aspects when investing; "ESG").

Sustainability risks (SFDR article 3)

Sustainability risks are environmental, social or governance events and/or circumstances (also known as an ESG factor) which, if they occur, could cause an actual or potential material adverse impact on the value of the investment. IOP takes such risks into account in various ways in its services. IOP believes that through asset management, impact can be realized and accelerated where the biggest changes are needed: conservation and restoration of biodiversity, the energy transition and social progress. IOP specializes in impact investing. This means that for every potential investment, we not only look at the financial side (expected return, risk), but that we also carry out an extensive impact due diligence. To this end, we work with extensive questionnaires for fund managers and we use sustainability data, among other things, to monitor consistency between policy and implementation and the development over time. We believe that carefully avoiding sustainability risks contributes to the ability to achieve attractive financial returns, as long-term sustainability risks are generally underestimated by financial markets.

Adverse impacts of investment decisions on sustainability factors (SFDR Article 4)

Although IOP consciously includes sustainability criteria in its investment services, adverse effects of investment decisions on sustainability factors are not yet actively taken into account. There are several reasons why IOP has chosen this:

- There is currently insufficient reliable data available to adequately and consistently analyse these negative effects and integrate them into the investment process.
- It is currently difficult for IOP, and for many market participants with us, to take all 16 adverse effects into account. It is still too difficult, partly given our size as an organisation, to make the adverse effects measurable and to report on the prescribed adverse effects.

Of course, we will continue to closely monitor market developments and any regulatory changes and have the ambition to change this decision in the future as soon as we believe it is practicable.

Remuneration policy (SFDR article 5)

Impact Orange Partners applies a careful, controlled and sustainable remuneration policy that is in line with our strategy and objectives. The remuneration policy does not contain any incentives that could lead to sustainability risks being neglected in the performance of our services.