# TRANSPARENCY OF ADVERSE SUSTAINABILITY IMPACTS AT ENTITY LEVEL – ARTICLE 4 SFDR

**Eurofund Management S.à r.l**

# INDEX

1. Regulatory framework: Article 4 of the SFDR……………………………….3
2. Eurofund Management S.à r.l. Statement………………..………………….3
3. Statement review……………………..……………………….………………..…4

## 1. REGULATORY FRAMEWORK: ARTICLE 4 OF THE SFDR

Eurofund Management S.à r.I. as an Alternative Investment Fund Manager (AIFM), is subject to Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR). This regulation establishes transparency obligations for financial market participants, aiming to improve the comparability and clarity of sustainability-related information provided to investors.

Specifically, **Article 4 of the SFDR** requires entities to disclose whether they **consider the principal adverse impacts (PAIs)** of their investment decisions on sustainability factors. These impacts refer to significant negative effects that an investment may have on the environment, society, or human rights, and must be assessed using standardized indicators defined by the regulation.

Entities may choose to:

- **Consider PAIs**, in which case they must publish a detailed statement outlining the relevant policies, methodologies, indicators, and results.
- **Not consider PAIs**, provided they publicly explain the reasons for this decision and, where applicable, commit to reviewing it in the future.

## 2. EUROFUND MANAGEMENT S.À R.L. STATEMENT

In accordance with Regulation (EU) 2019/2088 (SFDR), Eurofund Management S.à.r.l. hereby states that, at present, it **does not consider the principal adverse impacts (PAIs)** of its investment decisions on sustainability factors at the entity level.

The decision is the result of a thorough assessment of the quality of data available at this stage. The assessment showcased that although information on PAI is available and considered in the investment decision and investment due diligence process for some AIFs (Alternative Investment Fund) managed by the AIFM that do incorporate sustainability features, this is not yet the fact for AIFs that do not incorporate such features.

The AIFM strongly believes that only a full picture on the PAIs of investment decisions creates additional value for interested parties.

Therefore, the AIFM keeps this situation under constant review and aims at considering and reporting on the PAIs of its investment decisions in the future.

Information on AIFs that do consider PAI individually is available either as part of the respective annual statements of the individual AIFs or upon request. For those AIFs which consider PAI the assessment of PAI will be made jointly by the Investment Advisor or delegated Portfolio Manager and the AIFM, taking into consideration the data made available. Nevertheless, the AIFM **integrates sustainability risks into its investment decision-making process**, in accordance with Article 3 of the SFDR, and maintains a strong commitment to continuous improvement in ESG matters.

## 3. STATEMENT REVIEW

The AIFM will **review this position periodically**, in case of relevant changes to the organizational structure of the AIFM, regulatory developments, improvements in data availability, and evolving market practices, with the aim of potentially incorporating PAIs into its management and disclosure framework in the future.