

**PRINCIPAL ADVERSE IMPACT STATEMENT**



## No consideration of Sustainability Adverse Impacts

We are an independent fund management company for UCITS and AIFs, operating a delegated model which includes the delegation of investment management and investment due diligence to third party investment managers.

As part of this delegation arrangement, we expect that the consideration of the adverse impacts on investment decisions of sustainability factors will be performed by the underlying portfolio management teams responsible for investment decision making at each delegated investment manager, where the investment manager has indicated that it will perform principal adverse impact consideration.

As such, Equity Trustees Fund Services (Ireland) Limited (ETFSIL) does not consider the adverse impacts on investment decisions of sustainability factors.

At this time, we believe that there is insufficient data to allow us to adequately comply with the provisions of the Commission Delegated Regulation (EU) 2022 / 1288, Articles 4 to 11 for all of the funds we manage.

We consider our approach is pragmatic, transparent, reasonable, and in the best interest of fund investors, until sufficient data is available to facilitate our systematic analysis of principal adverse impacts across our entire fund range.

We intend to reassess our position over the remainder of 2022 and to determine a date from which we will publish a principal adverse impact statement. We envisage that this date will be in early 2023.

Notwithstanding our statement, **we are committed to sustainable finance, responsible investing, and international sustainability standards, and have ESG-related policies and oversight practices in place, and ESG initiatives in plan as follows:**

- A **Remuneration Policy** that sets a framework for long-term value creation, measurement of attainment of sustainability goals, and respect for our social and governance practices.
- An **Investment Management Oversight Framework** that mandates us, inter alia, to evaluate the integration of sustainability factors into the investment due diligence process of our third-party investment managers, and the sustainability risks inherent in investments.
- A **Risk Management Policy** that includes protocols for managing, overseeing, and monitoring exposure to sustainability risk.
- A **Conflicts of Interests Policy** that considers those types of conflicts of interest that may arise because of the integration of sustainability risks into processes, systems, and internal controls.
- An **Outsourcing Framework** that mandates us to evaluate the integration of environmental, social, and governance practices with all outsourced service providers, inclusive of delegates.
- An **Organisational structure and suite of policies, procedures, and practices** aligned to best practice corporate governance (inter alia, adoption of the corporate governance code for collective investment schemes and management companies).
- As a **regulated institution, a suite of policies, procedures, and practices** to ensure compliance with applicable regulations and legislation (including, but not limited to, Anti-Money Laundering and Countering the Financing of Terrorism, Anti-Bribery and Corruption, Market Abuse, Whistleblowing, Anti-Fraud, Beneficial Ownership, Data Privacy and Protection)

We plan to adopt the Irish Corporate Governance (Gender Balance) Act once this is enacted and are working on an ETFSIL centric ESG program.



