

Statement on the transparency of adverse sustainability impacts at entity level
(the “statement”)

Nedgroup Investments (IOM) Limited (the “Company”)

Introduction

The Company is licensed by the Isle of Man Financial Services Authority and the appointed Investment Manager to UCITS funds authorised and regulated by the Central Bank of Ireland.

Whilst the Company does not qualify under Regulation (EU) 2019/2088 (“**SFDR**”), as a “financial market participant” it believes it is appropriate and relevant as Investment Manager to UCITS to adopt this statement.

As per Article 4¹ of SFDR a “financial market participant”, where the principal adverse impacts (“**PAI**”) of investment decisions are considered, is required to publish and maintain on its website 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”.

This statement has been developed in accordance with the provisions of Article 4, while also taking into consideration Article 7² of SFDR on the transparency of PAI at entity level.

Delegation and Consideration of PAI (Article 4 and Article 7 of SFDR)

The Company is the appointed Investment Manager to two UCITS funds, Nedgroup Investments Funds plc and Nedgroup Investments MultiFunds plc (“the Fund/s”), of which there are a number of Sub-Funds. In relation to Nedgroup Investments Funds plc the Company delegates the portfolio management function to a number of suitably qualified third-party Investment Managers, “Sub-Investment Managers”. Where the investment management function is delegated to Sub-Investment Managers, the Sub-Investment Managers are subject to the Company’s ongoing oversight. The Company retains the portfolio management function in relation to the Nedgroup Investments MultiFunds plc and has appointed its sister company as Investment Advisor.

Further, the Funds and Sub-Funds, to which the Company act as UCITS Investment Manager, follow a number of different investment strategies with varying consideration of ESG and sustainability factors. As such, some of the delegated Sub-Investment Managers may consider PAI in respect of the Sub-Funds for which they are appointed while other Sub-Investment Managers may not.

Due to the different strategies and nature of the Funds, the Company has determined it prudent to allow for both eventualities in this Article 4 SFDR statement taking into account Article 7 of SFDR.

¹ Article 4 – Transparency of adverse sustainability impacts at entity level – assets managers shall publish on their websites where they consider principal adverse impacts of investment decisions on sustainability factors a statement on due diligence policies with respect to those impacts; where adverse impacts are not considered, clear reasons for why they do not do so.

² Article 7 – Transparency of adverse sustainability impacts at financial product level.

Dual Approach

Should the Investment Manager and/or the appointed Sub-Investment Managers wish to consider PAI in respect of the Sub-Funds in line with Article 7 of SFDR, the Company shall ensure that:

1. The Investment Manager/ Sub-Investment Manager has the appropriate infrastructure in place to report on PAI on an ongoing basis;
2. Where PAI are to be considered in respect of a Fund or Sub-Fund, the appropriate disclosures are made in the pre-contractual documents in line with SFDR by 30 December 2022;
3. The processes, systems and procedures in place to consider and report on PAI in respect of each Fund shall remain subject to the Company's periodic due diligence;
4. The Investment Manager also publishes appropriate disclosures on its website in accordance with Article 4(1) and (2) of SFDR, while also considering the associated Regulatory Technical Standards, in respect of the Fund or Sub-Fund;
5. The periodic reports of the Funds contain sufficient information as to the assessment of PAI.

Where PAI are not considered in respect of a Fund or Sub-Fund to which the Company acts as Investment Manager, the Company shall ensure appropriate disclosures are contained within the relevant pre-contractual documents.

For further information as to why PAI are not considered in respect of a particular Fund or Sub-Fund, please refer to the prospectus/supplement of that Fund/ Sub-Fund.

This process shall remain subject to ongoing review in line with industry and regulatory developments.

The Company shall periodically reassess PAI statements, policies it adopts and policies adopted by Sub-Investment Managers and reporting made in respect of the Funds or Sub-Funds to ensure their continued appropriateness.

This statement is subject to annual review.

Should further information be required as to the consideration of PAI at either entity or fund level, please contact:

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