

Version 2
30-08-2024

Sustainable Finance Disclosures

1. Introduction

Fosteus Fund Management Ltd (the “Company”) is a limited liability company with share capital, incorporated in accordance with the Laws of the Republic (registration number HE439332).

The Company is regulated as an alternative investment fund management company (“AIFM”) by the Cyprus Securities and Exchange Commission (“CySEC”) with license number AIFM 58/56/2013.

As the Sustainable Finance Disclosure Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector (the “SFDR”) been entered into force, by this policy and other related policies/procedures and disclosures the Company intends to provide a definition of relevant factors and controls relating to sustainability risks.

The SFDR requires financial market participants to disclose additional information on the integration of sustainability risks and potential adverse sustainability impacts on an entity level. Towards this the Company is required to publish:

- The Sustainability Risks Policy as per Article 3 of the SFDR,
- Any information on Adverse Sustainability Impacts as per Article 4 of the SFDR, and
- The Remuneration policy as per Article 5 of the SFDR.

2. Sustainability risks policy

The Company acknowledges the potential impacts that sustainability risks can impose on the Funds managed and considers the approach to integrate the risks arising from sustainability issues described in this policy.

Before any investment decisions are taken on behalf of the Funds that the Company manages, the Company will have to complete a process for the identification of the material risks associated with each proposed investment, including sustainability risks.

More information on the Company's approach to integrate sustainability risks into the investment decision making process (pre-trade assessment) can be found in the Sustainability Risk Policy which has been uploaded separately on the Company's website.

3. No consideration of adverse impacts of investment decisions on sustainability factors

As per Article 12 of Commission Delegated Regulation (EU) 2022/1288, Fosteus Fund Management Ltd, in its capacity as a Financial Market Participant as defined in Regulation, at the moment does not consider principal adverse impacts of investment decisions on sustainability factors. The main reason is actually the lack of information and data which prevents a proper like-to-like comparison between investments in terms of the ESG factors and because this limits the range of available investments under consideration and thus reduces diversification.

The Company may reassess its consideration in the future in regard to adverse impacts on environmental, social and employee matters.

If at any time this changes a disclosure shall be made available on our website.

4. Integration of sustainability risks in the remuneration policies

Fosteus Fund Management Limited integrates sustainability risks into its remuneration Policy, in its capacity as a financial market participant.

The remuneration practices followed by Fosteus Fund Management Limited do not encourage risk-taking with respect to sustainability risks.

5. Review and monitoring

The Company will monitor and review the SFDR disclosures and the Policy on an annual basis and will proceed to changes where needed.

Any update will be made in accordance with the regulations applicable and will be subject to the approval of the Company's Board of Directors.