SFDR Statement

Introduction/Sustainability Risk

On March 10, 2021, an EU Regulation came into force requiring AIFM ´light´ managers, such as Standard Investment Management B.V. (**SIM**), to provide information on sustainability in their investment decisions. This regulation, the *Sustainable Finance Disclosure Regulation (**SFDR**)*, requires SIM to provide information on how sustainability risks (as defined below) are integrated into the investment decision-making process.

For SIM, a sustainability risk means “an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment”.

Article 3/Investment decision procedure

Before any investment decisions are made on behalf of a fund, SIM performs general confirmatory due diligence which covers financial, legal, fiscal and environmental issues, and is performed by external advisors when necessary. SIM considers environmental, social and governance to be standard subjects covered during the due diligence process. The investment committee of SIM aims to assess the identified risks alongside other relevant factors set out in an investment proposal. Following its assessment, the investment committee of SIM makes investment decisions having regard to the investment policy, investment objectives and identified sustainability risks.

Article 4 sub 2/Reporting adverse impact

SIM is required to disclose information on whether, in accordance with the SFDR, it “considers the effects of investment decisions (...) that result in adverse effects on sustainability factors” (the “main adverse effects”). SIM does *not* consider adverse impacts investment decision on sustainability factors. This is because SIM is not currently able to obtain and/or measure all of the data from all of its investment strategies that it is required to report to clients and investors under the SFDR, or to do so systematically, consistently and at a reasonable cost. Considering the small size of SIM, the disclosure set forth in article 4 sub 1, would be disproportional. Therefore SIM takes advantage of the exemption (under Article 4(1)(b)) for AIFMDs with fewer than 500 employees.

Article 5/ Remuneration policy

SIM’s remuneration policy aims to ensure that the interests of employees are aligned with the interests of investors in the funds of SIM, avoiding as far as possible incentives that could result in excessive risk-taking behavior. The remuneration policy is divided in a combination of fixed remuneration and variable remuneration. Variable remuneration for relevant staff takes into account compliance with all policies and procedures, including those relating to the impact of sustainability risks on the investment decision making process.

SIM does not manage funds which fall under article 8 or 9 SFDR, and therefore article 10 SFDR is not applicable.