



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

**Carne Global Fund Managers (Ireland) Limited,  
Carne Global Fund Managers (Luxembourg) S.A  
(the “Companies”)**

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## **Introduction**

The Companies are authorised by the Central Bank of Ireland and the Commission de Surveillance du Secteur Financier respectively to provide UCITS Management Company/AIFM services to a range of collective investment schemes domiciled in, but not limited to, Ireland and Luxembourg (the “Schemes”).

As per Regulation (EU) 2019/2088 (“SFDR”), the Companies are defined as a “financial market participant”.

Further, per Article 4 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 7 of SFDR on the transparency of PAI at product level.

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

Generally, the Companies delegate the portfolio management function to a suitably qualified third-party investment manager (the “Delegated Manager”). The Companies may retain the portfolio management function in certain instances and appoint a third-party investment advisor where it has been retained. Therefore, in the majority of cases, “investment decisions” as defined under SFDR are delegated to these Delegated Managers, subject to the Companies’ ongoing oversight.

Further, the Schemes, to which the Companies act as UCITS Management Company/AIFM, follow a number of different investment strategies with varying consideration of environmental, social and governance (ESG) and sustainability factors. As such, some of the Delegated Managers may consider PAI in respect of the Schemes for which they are appointed while other Delegated Managers may not. Due to the different strategies and nature of the Schemes under management, the Companies have determined it prudent to allow for both eventualities in this Article 4 SFDR Statement taking into account Article 7 of SFDR.

## **Dual Approach**

Should the Delegated Managers wish to consider PAI in respect of the Schemes in line with Article 7 of SFDR, the Companies shall ensure that:

1. The Delegated 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 Scheme, the appropriate disclosures are made in the pre-contractual documents in line with SFDR by 31 December 2022;
3. The list of Schemes for which PAI are considered is available on request;
4. The processes, systems and procedures in place to consider and report on PAI in respect of each Scheme shall remain subject to the Companies' periodic due diligence;
5. The Delegated 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 Scheme(s);
6. The periodic reports of the Schemes contain sufficient and appropriate information as to the assessment of PAI.

Where PAI are not considered in respect of a Scheme to which the Companies act, the Companies 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 Scheme, please refer to the prospectus/supplement of that Scheme. The list of Schemes for which PAI are not considered is available on request.

In instances where the Companies retain portfolio management, the Companies may consider PAI in respect of those Schemes, provided that the steps described in 1-6 of the above are carried out in an equivalent manner with appropriate disclosures made on this website.

The Companies also acknowledge that in certain instances, the Delegated Managers may publish information on their own website in respect of PAI in respect of the Schemes.

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

The Companies shall periodically reassess PAI statements, policies adopted by the Delegated Managers and reporting made in respect of the Schemes to ensure their continued appropriateness.

This Statement is subject to annual review.

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