

## No consideration of adverse impacts of investment decisions on sustainability factors

### **Introduction**

The Sustainable Finance Disclosure Regulation (SFDR) (Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019) requires Sanlam Asset Management (Ireland) Limited to make a “comply or explain” decision whether it considers the principal adverse impacts (“PAIs”) of its investment decisions on sustainability factors. PAIs are described as impacts that result, or might result, in negative effects on sustainability factors, such as environmental, social and employee matters, respect for human rights, anti-corruption or anti-bribery matters.

### **No consideration of the PAI regime in SFDR**

Sanlam Asset Management (Ireland) Limited (the “Firm”) is supportive of the policy aims of the PAI regime, to improve transparency to clients, investors and the market, as to how financial market participants and financial advisors integrate consideration of the adverse impacts of their investment decisions on sustainability factors. However, taking account of the Firm’s size, the nature and scale of its activities and the types of funds it makes available, Sanlam Asset Management (Ireland) Limited considers that it would be disproportionate to consider principal adverse impacts as set out in the PAI regime in SFDR at this time.

The Firm is also concerned about the lack of readily available reliable and comparable data to consider and report against many of the technical reporting requirements and indicators in the principal adverse impacts statement, as it believes that issuers and market data providers are not yet ready to make available all the necessary data for the PAI regime.

The Firm will keep its decision not to consider the adverse impacts of its investment decisions on sustainability factors under regular review and will formally re-evaluate the decision at least annually.