



SFDR Transparency Disclosure

IQ EQ Fund Management (Luxembourg) S.A.

Version	Changes	Date	Approved
1.0	Initial version	29/11/2022	ESG Committee
2.0	Annual review	02/08/2023	ESG Committee
3.0	Annual review	28/01/2025	ESG Committee

1. Introduction

IQ EQ Fund Management (Luxembourg) S.A. (“**IQEQ FM**” or the “**AIFM**”) is an authorised Alternative Investment Fund Manager regulated and supervised by the *Commission de Surveillance du Secteur Financier* to provide AIFM services to a range of collective investment schemes domiciled in, but not limited to Luxembourg, Belgium and France.

The AIFM makes the following disclosures in accordance with the Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the “**SFDR**”).

2. Definitions

Term	Definition	Regulation/Directive
AIFM	An entity whose regular business is managing one or more Alternative Investment Funds (AIFs). AIFMs are responsible for portfolio management, risk management, and compliance of the AIFs they manage.	Directive 2011/61/EU (AIFMD)
AIFMD	A European Union directive that sets regulatory standards for the authorization, operation, and transparency of AIFMs managing Alternative Investment Funds (AIFs).	Directive 2011/61/EU
ESMA	The European Securities and Markets Authority, established to enhance investor protection and promote stable and orderly financial markets by developing technical standards, supervising financial entities, and enforcing regulations.	EU Regulatory Framework
Financial Market Participant	Entities such as asset managers, investment firms providing portfolio management, pension funds, and other institutions engaged in collective or individual portfolio management, subject to sustainability disclosure requirements.	Regulation (EU) 2019/2088 (SFDR)
PAI	Principal Adverse Impacts refer to the negative effects of investment decisions on sustainability factors, such as environmental, social, and governance (ESG) issues, requiring disclosure by financial market participants.	Regulation (EU) 2019/2088 (SFDR)
SFDR	The Sustainable Finance Disclosure Regulation establishes transparency requirements for financial market participants and advisers on the integration of sustainability risks and consideration of adverse impacts in products.	Regulation (EU) 2019/2088
Sustainability Risk	An ESG event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investment.	Regulation (EU) 2019/2088 (SFDR)

3. Integration of Sustainability risk in the investment decision-making process (article 3 SFDR)

The AIFM undertakes to offer selected investment strategies that consider environmental and social risks and that may promote certain environmental, social and socio-economic characteristics. The related AIFs may be classified article 6, 8 or 9 of the SFDR, according to the SFDR specific characteristics of the product.

The AIFM defines the fund's investment objectives and policy to ensure compliance with applicable laws and regulation, integration of ESG objectives, clear documentation of sustainability targets and disclosures in fund-related documents (e.g., prospectus).

The AIFM reviews systematically investment opportunities to assess sustainability risk for all funds, except if not applicable, and to ensure alignment with metrics and methodology mentioned in the prospectus of funds classified as article 8 and 9 of the SFDR.

The AIFM monitors ESG performance to ensure attainment of the fund objectives and sustainability risk at least on a yearly basis, using qualitative and or quantitative approaches based upon the fund's strategy.

For more details, see ESG policy.

4. No consideration of adverse sustainability impacts at AIFM level (article 4 SFDR)

The AIFM does not consider, in the manner prescribed by Article 4 of the SFDR, the adverse impacts of investment decisions on sustainability factors (PAI) reported on behalf of the AIFs under management, including compartments of AIFs.

After consideration of the sustainability adverse impacts, the AIFM has determined that PAI framework brings no value to its stakeholders due to the vast range of investment strategies and approaches to sustainability risk.

In addition, the AIFM considers that non-financial data is still not available in satisfactory quality and quantity to allow it to adequately assess the potential adverse impact of its investment decision on sustainability factors.

The AIFM will formally re-evaluate this decision on a periodic basis.

5. Remuneration policy (article 5 SFDR)

The AIFM's remuneration policy does not encourage risk taking and integrates sustainability risks as per the SFDR requirements.

The AIFM's remuneration policy meets with EU directive and ESMA requirements through, the 2011/61/EU Directive (AIFMD) and the ESMA/2013/201 guidelines (Remuneration for AIFM).

For the AIFM Remuneration policy, see [IQEQ Fund Management Luxembourg Policies](#).

6. Contact and disclosure

The AIFM commits to make available, on its website, disclosures for funds classified as article 8 and 9 of the SFDR, stating pre-contractual objectives (Article 10). For disclosures at product level, see [Luxembourg SFDR disclosures](#).

On a periodic basis, the AIFM commits to provide annual transparency updates on the promotion of environmental and/social characteristics and/or sustainable investment objectives for funds classified as article 8 and 9 of the SFDR (SFDR periodic disclosure).

Despite any potential delegation of investment management functions, the AIFM retains full responsibility for ensuring compliance with SFDR disclosure requirements.

For any inquiries please contact: AIFM_ESG@iqeq.com