

Sustainability-related disclosure: statement on consideration of principal adverse impacts on sustainability factors



Introduction

This statement is published by Finance in Motion GmbH (the Company) on its website in accordance with Article 4 (5) of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (also known as Sustainable Finance Disclosure Regulation, SFDR). Its purpose is to provide transparency on how the Company uses information on principal adverse impacts in its investment advice. Principal adverse impacts are considered those impacts of investment advice that result in negative effects on sustainability factors.

Finance in Motion acts as an adviser vis-à-vis several self-managed alternative investment funds (AIFs or Funds), mostly SICAV-SIFs, each having a distinct sustainable investment objective (also referred to as ‘impact objective’). Investment operations of each AIF are geared towards this specific impact objective defined by the AIF.

Finance in Motion specializes in investment advice related to assets in emerging markets. To minimize risks and safeguard the investors’ assets and support the attainment of relevant impact objectives, the origination of assets is supported through specialized product teams, of which the larger part operates through hubs in the countries of asset location to deepen market know-how and insights into the operating environment, including environmental, social, and governance (ESG) frameworks. Investment decisions are taken by each Fund’s Board of Directors and delegated committees.

Consideration of principal adverse impacts in investment advice

Finance in Motion is committed to integrating ESG criteria into each phase of investment advice, including origination, structuring, and monitoring. As a key principle, the Company adheres to the respective AIF’s responsible investment and/or ESG policies and supports the Funds in effectively managing – i.e., avoiding, minimizing, and mitigating – adverse impacts associated with proposed investments. Due to the different investment focus of each advised AIF, such impacts can be substantially different.

Although likely to be limited, given the type of funds Finance in Motion advises – i.e., funds with a dedicated impact focus only – together with the size and nature of the investments, adverse impacts on sustainability-related factors may occur, particularly in relation to emissions and pollution; human rights; social and employee matters; or anti-corruption and anti-bribery matters. Against this background, Finance in Motion places a priority on the effective management of (potential) principal adverse impacts of its investment advice.

Before proposing an investment, the Company will carry out an ESG assessment commensurate to the level of potential adverse impacts identified. Results of this assessment form an integral part of each investment proposal.

Potential adverse impacts on sustainability factors are also given systematic consideration in supporting the Funds in the evaluation of new financial instruments, the creation of new sub-funds, or entry into new countries of operation.

To fulfill its advisory duties with respect to sustainability matters, Finance in Motion has a dedicated Impact & Sustainability department which is involved in all steps of the investment cycle. The Company's investment staff receives formal induction and periodic refresher training on ESG integration.

For more information visit

www.finance-in-motion.com