# No consideration of sustainability adverse impacts

Pursuant to EU Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "SFDR"), the Abalone Asset Management Limited ("Abalone" or the "Company ") is required to disclose the manner in which Sustainability Factors (as defined hereafter) are integrated into the investment decisions and the assessment of the likely impacts of Sustainability Risks.

Abalone is a boutique asset management company licensed to manage UCITS and Alternative Investment Funds, and which provides tailored solution to its clients. The product offering of the Company is composed by a variety of small and medium investment funds investing in multiple asset classes from listed securities to private equity and exotic investments. The Company also works as a Fund incubator for small and sophisticated portfolio managers. Due to its small size and business strategy, the adverse impact of its investment decisions on the sustainability factors is of an extremely limited nature.

Abalone is sensible to the climate challenges and the sustainable development objectives of the Paris Agreement. The Company is also committed with the promotion of the employee well-being and the work-life balance. Multiple initiatives have been taken and continue being developed to promote the personal and professional development of employees. Also, the Company has put in place robust governance structure in order to assure high standards of its management and employees' ethical behaviour.

The Company has a strong commitment to consider sustainability risks as part of this general business strategy. As part of these efforts the Company has integrated the sustainability risk factors in its remuneration policy to align employees interest and remuneration considerations with them. Also, Abalone has updated its engagement policy to promote environmental, social and governance factors through its voting rights on the investee companies, without damaging its investors and clients' interest.

While the Company is strongly committed with the promotion of environmental, social and governance factors, it has decided not to consider the adverse impacts of its investment decisions on sustainability factors.

The above decision is the consequence of a cost-benefit analysis, where the Company, due to its small size and the cumbersome application of the EU Regulation (EU) 2019/2088, finds that the full application of this Regulation may damage its profitability with a negative impact to its clients and investors. In terms of a cost-benefit analysis for the society the Company has also considered that the adverse impact of its investment decisions on the sustainability factors is limited.

The Company is monitoring the market conditions and the regulatory developments in order to consider the adverse impacts of its investment decisions on sustainability factors at a later stage, when the economic and regulatory situation will be more favourable.