

SFDR DISCLOSURES

Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (“SFDR”) came into effect on 10 March 2021.

The objective of SFDR is to harmonise transparency rules with regard to the integration of sustainability risk and the consideration of adverse sustainability impacts in the Sub-Funds’ investment management processes and the provision of sustainability-related information.

Integration of sustainability risk in investment decision-making

Sustainability risk is defined in Article 2(22) of SFDR as an environmental, social or governance (ESG) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

Funds Avenue S.A. qualifies as a financial market participant as defined in Article 2(1) of SFDR. As a consequence, Funds Avenue S.A. discloses on its website (<https://fundsavenue.com/wp-content/uploads/2023/09/2023-ESG-Policy.pdf>) information about its policy on the integration of sustainability risk in its investment decision-making process.

Sustainability risks (e.g., climate change, health and safety) may significantly contribute to the Sub-Funds’ risks, such as market risks, credit risks, liquidity risks and operational risks, while negatively impacting the value and/or the return of the Sub-Funds. Any risk may have a negative impact on long-term risk-adjusted returns for investors.

Consideration of adverse sustainability impacts

Although PP considers sustainability risk, presently it does not engage on actions in relation to adverse sustainability impacts.

The General Partner of the Fund and Funds Avenue S.A. does not currently consider the principal adverse impacts (“PAIs”) of investment decisions on sustainability factors, within the meaning of Article 4(1)(a) of SFDR.

In the opinion of The General Partner of the Fund and Funds Avenue S.A., meaningful consideration of PAIs is not currently possible due to the difficulty in obtaining the requisite data on which the General Partner of the Fund and Funds Avenue S.A. would be obligated to report on in accordance with the SFDR, and in any case, the possibility that such data may be incomplete, estimated, out of date and/or otherwise inaccurate.

The General Partner of the Fund and Funds Avenue S.A. shall monitor and may revisit this position as and when data availability in the real estate sector improves.

