



7Q Asset Management Ltd

SFDR Disclosures

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September 2024

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Regulated by the Cyprus Securities and Exchange Commission AIFM36/56/2013



1. Introduction

7Q Asset Management Ltd (the “**Company**”) is an independent Alternative Investment Fund Manager (AIFM) fully licensed and regulated by the Cyprus Securities and Exchange Commission (CySEC) to cover the main Alternative Investment Fund Managers Directive (AIFMD) functions of Portfolio Management and Risk Management, as well as ancillary functions related to the assets managed.

Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector

Under 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 (“SFDR”), 7Q Asset Management Ltd (“**7Q**”, “**the Company**”, or “**we**”) is required to comply with certain sustainability disclosure requirements.

The SFDR requires financial market participants to disclose additional information on the integration of sustainability risks and potential adverse sustainability impacts on an entity level. Towards this the Company must publish:

- Its sustainability risks policy (Article 3 of the SFDR),
- Information on consideration of principal adverse impacts (Article 4 of the SFDR), and
- Information on integration of sustainability risks in Remuneration policy (Article 5 of the SFDR).

2. Integration of sustainability risks in the risk management process

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

7Q recognises the importance of identifying, assessing and managing material sustainability risks as an integral part of its risk management process. To this end, we have taken steps to integrate sustainability risks during the overall risk management processes, from the selection of the underlying investments to their ongoing monitoring and subsequent disposal. The overall assessment of these risks is performed in tandem with other risk considerations, such as liquidity, operational and market risks.



In evaluating the sustainability-related risks of the funds under management, the Company uses tools to identify and assess the risks in question and brings its findings to the attention of the Board of Directors of the Company for discussion of possible mitigating actions.

Currently, all financial products offered under the funds that the Company is managing, are categorised as “Article 6” products. We acknowledge the potential material impact that sustainability risks can have on the long-term financial performance of the funds/compartments under management, as such risks can rarely be separated from financial and commercial/business risks.

Detailed information on the Company’s approach to integrate sustainability risks into the investment decision making process can be found in the dedicated policy which has been established in compliance with the requirements set by the SFDR and which has been uploaded separately on the Company’s website.

Our commitment to sustainability is further showcased through our continuous investment in our workforce, which ensures that the employees involved in the provision of relevant services (i.e. portfolio management, risk management and regulatory compliance) are being trained with regards to sustainability risks and sustainability matters and are able to understand the Company’s processes, sustainability policies and philosophy.

3. No consideration of adverse impacts of investment decisions on sustainability factors

This section serves to fulfill the requirements under Article 4 of the SFDR, under which we shall publish and maintain on the Company’s website information on whether or not principal adverse impacts of investment decisions on sustainability factors are being considered as part of the Company’s investment decision-making, in its capacity as a financial market participant.

At 7Q, for the time being, except as may be otherwise disclosed at a later stage on our website, we do not consider any adverse impacts of our investment decisions on sustainability factors in the manner prescribed in Article 4 of the SFDR, since it is not currently feasible for the Company to undertake a systematic and/or comprehensive consideration of such adverse impacts on sustainability factors as part of its investment decision-making, taking into account the size and scale of the Company’s business activities.

The Company may re-evaluate its position at a later stage with regards to such adverse impacts, and may revisit the above considerations, should circumstances change, in order to reflect the way these principal adverse impacts on sustainability factors will be taken into account.



4. Remuneration policy and the integration of sustainability risks

This section serves to fulfill the requirements under Article 5 of the SFDR, under which the transparency of the remuneration policy in relation to the integration of sustainability risk is a regulatory requirement.

The Company maintains a remuneration policy which is consistent with, and promotes, sound and effective risk management, while it does not promote risk taking that is inconsistent with the risk profile of the investment products managed by the Company.

The Company may pay staff a combination of fixed remuneration (salary and benefits) and variable remuneration (including bonus). Variable remuneration for relevant staff, where applicable, shall take into account compliance with all the Company's policies and procedures, including those relating to the impact of sustainability risks on the investment decision-making process.