

Schroder AIDA SAS

SFDR Financial Advisor principal adverse impact statement

As an Alternative Investment Fund Manager (AIFM) who also provides investment advisory services to institutional investors into infrastructure debt and equity opportunities, we believe that we should incorporate sustainability factors into our advice and analysis of potential investment opportunities. In our view, consideration of sustainability factors is an intrinsic part of assessing investment risk in our clients' investment portfolios. Companies face competitive pressures from a wider range of sources, on a larger scale and at a faster pace than ever before. We no longer have a choice over whether to seek exposure to sustainability risks and opportunities for our clients; we believe that all companies and portfolios will be impacted over time. By considering sustainability risks alongside other factors we seek to achieve superior risk-adjusted returns for our clients consistent with their preferences.

Sustainability considerations are integrated into our due diligence process and as part of this we consider what we regard to be the principal adverse impacts of our clients' potential investments. Firstly, we invest only in European countries which we believe to have a strong regulatory framework in place and support sustainable or green finance initiatives. Secondly, we also review the applicable standards that apply to our investments and the associated practices. Finally, we review and monitor (depending on the nature of each investment) certain sustainability factors (for example, renewables energy produced, number of homes supplied with green electricity, incident of non-compliance with environmental permits, number of work related injury, number of jobs supported, % of independent directors at Boards) on a case by case basis.

Over time, we intend to continue to review our methodologies and presentation of sustainability-related disclosures to our clients and other stakeholders to ensure that we remain aligned with the developing detailed requirements of Regulation (EU) 2019/2088 known as the Sustainable Finance Disclosure Regulation (SFDR) and its related regulatory standards.