

# CAPITAL FOUR

## Information Statement

on our policies on

**the consideration of Principal Adverse Impacts of investment decisions on sustainability factors**

issued jointly by

Capital Four AIFM A/S, Capital Four Management Fondsmæglerselskab A/S and Capital Four CLO Management K/S  
("Capital Four")

Date of initial publication of this Information Statement: 10 March 2021

This Information Statement is accurate as at: 10 March 2021

### Sustainable-related Disclosures

This Information Statement has been prepared for the purpose of meeting the disclosure requirements **in Article 4(1)(a) 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").

Capital Four considers principal adverse impacts of investments on sustainability factors prior to taking an investment decision.

Capital Four's investment process is driven by bottom-up research analysis. Our research procedure reflects how, pending data availability, principal adverse impacts and indicators are identified and measured at the research stage of our investment process.

The portfolio managers at Capital Four decide and are responsible for investments and divestments we make. Our portfolio management procedure reflects how principal adverse impacts of investments on sustainability factors are considered in our investment decision-making process. Where data is available, the portfolio managers will review the principal adverse impact of an investment and only make the decision to invest if they deem the impact to be within what they consider an acceptable threshold (taking account of the size, nature and scale of our activities).

Capital Four is committed to integrating the 10 principles of the United Nations Global and is a signatory to the United Nations Global Compact. We adhere to the UN Principles for Responsible Investment (UNPRI) and with respect to our control environment, the investment process of Capital Four is assessed annually in an International Standard on Assurance Engagements 3402 (ISAE 3402) report.

For more detailed information on how we identify and measure principal adverse impacts of investment on sustainability factors and how these are factored into our investment decisions, please refer to our Responsible Investment Policy.

It is noted that the regulatory technical standards ("RTS") to specify the details of the content, methodologies and presentation of the information to be disclosed under Article 4(1)(a) of SFDR have been delayed and will not be issued when the relevant disclosure obligations in SFDR become effective.

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It is noted that the European Commission has recommended that from the effective date of SFDR, firms are recommended to comply with the specific disclosure obligations in SFDR that are reliant on RTS on the basis of a high-level, principles-based approach.

We therefore seek to comply on a best-efforts basis with the relevant disclosure obligations and issue this Information Statement as a means of achieving this objective.

It is expected that this Information Statement will be reviewed and updated once the relevant RTS come into effect, noting in particular, that the RTS are expected to contain details on the content, methodologies and presentation of the information to be disclosed and this could therefore require a revised approach to how we seek to meet the SFDR disclosure obligations.

## **Further Information**

This Information Statement is issued for information purposes only and is subject to change without notice.

This Information Statement is not intended as investment advice and is not an offer or a recommendation about managing or investing assets and should not be used as the basis for any investment decision.

Past performance is not a guarantee or a reliable indicator of future results and an investment could lose value.

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