

INTRODUCTION

The Sustainable Finance Disclosure Regulation (“**SFDR**”) (Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019) requires Conexim to make a “comply or explain” decision whether to consider the Principal Adverse Impact (“**PAI**”) of its investment decisions on sustainability factors, in accordance with a specific regime outlined in SFDR.

PAIs are described as impacts that result, or might result, in negative effects on sustainability factors, such as social and employee matters, respect for human rights, anti-corruption or anti-bribery matters.

Conexim has two primary service models, each of which will be treated individually for the purposes of this disclosure.

SUSTAINABILITY RISK

This is an environmental, social or governance (“**ESG**”) event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investment.

1. DISCLOSURE BY EXECUTION-ONLY SERVICE MODEL

An ‘execution-only’ service is a term that is used for a platform that does not offer advice when allowing investors to select which products or funds to invest in.

By nature of the execution-only service model, Conexim does not consider the principal adverse impacts on sustainability factors of investment decisions or investment advice provided by external regulated investment intermediaries. Conexim does not provide investment advice or investment recommendations, therefore are not placed to influence the integration of ESG products into an investor’s portfolio.

For the reasons noted above sustainability risks are not integrated into execution-only service model.

2. DISCLOSURE BY DISCRETIONARY INVESTMENT MANAGER

Conexim do not consider adverse impacts of investment decisions on sustainability factors, when acting in capacity of discretionary investment manager.

Where Conexim acts as discretionary investment manager, the clients have limited investment options to several PortfolioMetrix model portfolios. As the portfolios are not products, the individual clients are holding portfolios of individual third-party products which are then managed on a discretionary mandate.

When providing discretionary management services, Conexim requires clients to provide information on their sustainability preferences. It considers the information published by PortfolioMetrix in connection to the model portfolios to assess how these portfolios meet clients’ preferences. Where more than one portfolio meets a client’s need the Adviser considers a range of other features of the investment including the client’s detailed sustainability preferences as notified by the client to the Adviser.

Where no products exist to meet a client’s sustainability preferences the client is advised of this and, having considered the portfolios available, may choose not to invest or they may reconsider their sustainability preferences.

For the reasons noted above sustainability risks are not integrated into discretionary management services.