

Responsible Investing

Adverse Sustainability Impacts Statement and Integration of Sustainability into Decision Making

Summary

For AIFs managed and distributed in Europe with a sustainability focus, Abraxas seeks to identify and prioritise principal adverse sustainability impacts in its investment activity. The management of all funds by Abraxas begins from the Investment Objective of the fund. The Investment Committee of each fund has at least one Abraxas board member. The Remuneration Code of Abraxas, which applies to the Abraxas board of Directors, incorporates sustainability risk factors.

Description of principal adverse sustainability impacts

The principal adverse sustainability impacts are identified at the level of the AIF and will vary between funds. Environmental, social and governance concerns are identified.

Description of policies to identify and prioritise principal adverse sustainability impacts

In respect of funds with sustainability or reduction of carbon emissions as a part of the investment objective, for each investment considered, an appropriate level of due diligence is undertaken on the proposed borrower / investee company. The due diligence is performed in respect of fiscal, technical, legal and sustainability related matters, the combination of which exposes the most likely principal adverse sustainability impacts. The results of due diligence are an integral part of the Investment Managers decision making process and priority is given to any negative principal adverse sustainability impacts identified.

Description of actions to address principal adverse sustainability impacts

In respect of funds with sustainability or reduction of carbon emissions as a part of the investment objective, for each investment considered, if Abraxas considers it unlikely for significant mitigation or elimination of an identified adverse sustainability impact is possible within a 3-year time horizon from the date of investment, the investment will not take place.

Engagement Policy

In respect of funds with sustainability or reduction of carbon emissions as a part of the investment objective, engagement with investee companies on all matters affecting the financial performance of the investment, including sustainability related risks and opportunities, takes place through either representation on the board of the investee company, or through a shareholders' agreement, or a combination of these methods.

International Standards

Abraxas has actively decided not to sign up to published formal sustainability standards at this time. In respect of its European AIFs marketed into Europe and in particular those funds with sustainability or a reduction of carbon emissions as a part of the investment objective, Abraxas is currently assessing which international sustainability standard will best serve the interests of all stakeholders.