



7Q Financial Services Ltd

---

**SFDR Disclosures**

**Headquarters**

**Nicosia**

9 Archiepiskopou Makariou III

Severis Building, 3<sup>rd</sup> Floor

1065 Nicosia | Cyprus

T: +357 22763344

F: +357 22763355

[www.7qam.net](http://www.7qam.net)

April 2025

7Q Financial Services Ltd 9, Archiepiskopou Makariou III Avenue | 3rd Floor | 1065 Nicosia | Cyprus  
T: +357 22763344 | F: +357 22763355 | [info@7qfs.com](mailto:info@7qfs.com) | [www.7qfs.com](http://www.7qfs.com)

Regulated by the Cyprus Securities and Exchange Commission 061/05



## 1. Introduction

7Q Financial Services Ltd (“**7Q**”, “**the Company**”, or “**we**”) is a limited liability company incorporated under the laws of the Republic of Cyprus with registration number HE 109709. The Company is regulated by the Cyprus Securities and Exchange Commission (“**CySEC**”) as a Cyprus Investment Firm (“**CIF**”) and an under the threshold Alternative Investment Fund Manager (AIFM) with license number 061/05.

### **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 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. SFDR Categorisation

As an under the threshold AIFM the Company manages only Article 6 Funds (as defined in the SFDR) which take sustainability criteria into account within the investment process but do not specifically promote environmental or social characteristics and do not have sustainable investment as their objective.

### **3. 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.

#### 3.1 Investment Advice



The Company considers ESG factors when advising clients on financial instruments, only if such sustainability preferences are expressed by the clients involved, as required under Commission Delegated Regulation (EU) 2017/565.<sup>1</sup>

Investment recommendations include an assessment of financial instruments' sustainability risks based on available ESG data and ratings. At present, the Company does not undertake to score and assess the ESG factors of financial instruments under proprietary modelling. The Company relies on third-party evidence, where available, from Issuers and Distributors. The Company also relies on specific data providers, namely Bloomberg and MSCI.

### 3.2 Portfolio Management

The Company incorporates ESG factors in the investment selection, risk assessment, and portfolio construction processes, only if such sustainability preferences are expressed by the clients involved, as required under Commission Delegated Regulation (EU) 2017/565<sup>2</sup>.

Investment decisions include an assessment of financial instruments' sustainability risks based on available ESG data and ratings. At present, the Company does not undertake to score and assess the ESG factors of financial instruments under proprietary modelling. The Company relies on third-party evidence, where available, from Issuers and Distributors. The Company also relies on specific data providers, namely Bloomberg and MSCI.

### 3.3 Sustainability risk integration

The Company takes into consideration sustainability risks during the investment decision making process or when advising clients on financial instruments, by focusing on specific themes. Currently, the Company applies negative screening to exclude investments in sectors with high sustainability risks, such as controversial weapons, coal mining, and companies with severe human rights violations.

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.

---

<sup>1</sup> Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive.

<sup>2</sup> Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive.



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.

#### **4. 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 present, the Company does not consider principal adverse impact (PAIs) of investment decisions on sustainability factors within the meaning of Article 4 of the SFDR. The reason being the lack of readily available and reasonably-priced data makes it difficult to comply with many of the technical reporting requirements of the Principal Adverse Impact regime. The Company will continue to review this position and may integrate PAIs in the future as regulatory and data availability evolve.

#### **5. 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.