FATHOM
wealth management advisors

Summary of Sustainable Finance Disclosure Regulation (SFDR) Policy & Disclosures

1. Introduction

Under the Sustainable Action Plan, the EU has implemented several new legislative measures aimed at linking finance with sustainability. Key regulations include the creation of a classification system for sustainable activities (known as the Taxonomy) and the introduction of mandatory disclosures and labels for environmentally-friendly financial products (SFDR).

Regulation (EU) 2019/2088 (SFDR) requires asset managers and advisors, like Fathom Wealth Management Advisors Ltd (hereinafter the 'Company'), to disclose information to investors about how they integrate sustainability risks, address adverse sustainability impacts, and promote environmental or social characteristics, as well as sustainable investments in their decision-making processes.

2. Identification of Client Sustainability Preferences - Sustainability Preference Questionnaire

The identification of the Clients' Sustainability Preferences is a core part of the Company's duty to act in the best interests of the Clients.

The Company has designed a Sustainability Preferences Questionnaire which is provided to potential clients along with the account opening application form. The Sustainability Preference Questionnaire is designed to obtain, in a user-friendly manner, the potential clients' Sustainability Preferences.

The Company shall ensure that the potential clients have the opportunity to ask further questions for clarification and trained Company employees to be available to assist with the potential client's own understanding of the explanation of sustainability preferences.

Throughout the process, the Company shall adopt a neutral and unbiased approach as to not influence potential clients' answers.

3. Sustainability Preferences and Investment Decision Making Process

The Company's personnel offering the investment services of investment advice and portfolio management shall take into consideration the Sustainability Preferences and the 'sustainability profile' of Clients when making investment decisions/recommendations.

When providing investment advice with a portfolio approach, the personnel of the Investment Advice Department shall assess the Client's Sustainability Preferences including the minimum proportion when conducting the initial assessment. Then the personnel of the Investment Advice Department shall monitor whether those preferences are still met or not at portfolio level and issue appropriate recommendations as the case may be.

4. No Consideration of Sustainability Adverse Impacts

Currently, the Company does not take into account the adverse impact of sustainability factors in its investment decisions or advice. The principal adverse impacts are either not relevant at this time or the necessary data to conduct such assessments is not available, accessible, relevant, or comparable.

It should be noted that none of our portfolio approaches follow an investment strategy that promotes ESG characteristics or aims for a sustainable investment objective, as defined by SFDR.

We are closely following all regulatory developments concerning SFDR and other ESG-related laws. If our approach changes, we will update the present disclosure and inform clients accordingly.

5. Remuneration policy and the integration of sustainability risks

We do not currently anticipate making any changes to our remuneration policy regarding sustainability risks, as our policy generally does not promote excessive risk-taking, including in relation to sustainability risks.

Notwithstanding the aforesaid, we shall periodically review the possibility of making adjustments to the remuneration policy and any updates will be reflected in both the policy and on the Company's website.