

NON ADHERENCE TO ESG CRITERIA

Article 4 of Regulation (EU) 2019/2088 on disclosure of sustainability-related information in the financial services sector (SFDR) requires financial market participants to ensure transparency on whether or not negative impacts of their investment decisions on sustainability factors have been taken into account, setting out the principle of "respect or justify" depending on whether or not they take those impacts into account, and they should be able to measure the reach of those impacts and provide such information.

Heed Capital does not currently provide management services for collective investment schemes, portfolio management or investment consulting that promote, inter alia, environmental or social features ("*light green*" products, referred to in Article 8 of the SFDR) or have sustainable investment objectives ("*dark green*" products, referred to in Article 9 of the SFDR). Notwithstanding, Heed Capital takes into consideration environmental, social and governance sustainability principles and objectives in its investment decision-making and has also identified sectors in which it avoids investing.

Heed Capital is monitoring the development of the regulatory framework on sustainability, as well as the evolution of the publication of technical specificities defined in the "Regulatory Technical Standards" ("RTS") on this matter, awaiting the completion and entry into force of the entire regulatory framework so that it can consider, in a formal and documented manner, the negative impact of its investment decisions on sustainability factors.

This statement regarding the failure to consider negative impacts on sustainability factors thus complies with Article 4(1)(b) of the SFDR Regulation and Article 12 of Commission Delegated Regulation 2022/1288.

However, Heed Capital will take into consideration publicly available information that allows it to assess the negative impact of its investment decisions on the aforementioned factors in accordance with the priority objectives identified in its Sustainability Policy.

If you would like to learn more about Heed Capital's Sustainability-related policies, such as the Heed Capital Sustainability Policy or Engagement Policy, please visit our website at www.heedcap.com