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("**HLIM**")

SFDR Disclosures

Integration of Sustainability Risks into investment decisions

HLIM has long recognised the importance of considering Sustainability Risks in making investment decisions but also recognises the increasing relevance, complexity and changeability of these Sustainability Risks. HLIM is committed to ensuring it has robust systems to allow these Sustainability Risks to be taken into account in a way that best serves the funds in respect of which HLIM acts as alternative investment fund manager from time to time (together, the "**Funds**"), their investments and their investors and seeks continuous improvement in this area.

For the purposes of this section (and the following sections headed 'Likely impacts of Sustainability Risks on the returns of the Funds and 'No consideration of sustainability adverse impacts'), a "**Sustainability Risk**" is an environmental, social or governance event or condition that, if it occurs, HLIM currently considers could have an actual or potential material negative impact on the value of one or more investments in the Funds' portfolios. Sustainability Risks can either represent a risk on their own or have an impact on other risks and contribute significantly to those risks, such as market risks, operational risks, liquidity risks or counterparty risks.

HLIM's investment decisions are made on the basis of a fundamental review process and the principle of Sustainability Risk integration is anchored in all such investment decisions.

Prior to any acquisition, all prospective investments are assessed for Sustainability Risks by local team experts, portfolio managers and risk managers. The results of this Sustainability Risks analysis are incorporated in the risk assessment of HLIM as described in the Risk Management Framework of HLIM. HLIM will then access this documentation, evaluate the Sustainability Risks of prospective investments and base its investment decisions on it.

Likely impacts of Sustainability Risks on the returns of the Funds

HLIM seeks to mitigate the impacts of Sustainability Risks on the Funds' returns by integrating a consideration of such Sustainability Risks into its investment decisions in the manner set out above. However, notwithstanding HLIM's mitigating actions, it is nevertheless possible that one or more of these Sustainability Risks may materialise and have a material negative impact on the value of one or more of the Funds' investments, thereby affecting the Funds' returns.

A list of the Sustainability Risks which HLIM currently considers could be material to the Funds is set out below:

Asset-level:

- Biodiversity and habitat
- Building safety
- Climate/climate change adaptation
- Compliance with regulatory requirements
- Contaminated land
- Energy efficiency
- Energy supply
- Flooding
- GHG emissions
- Health and well-being
- Indoor environmental quality
- Natural hazards
- Transportation
- Waste management
- Water efficiency
- Water supply

Macro-level:

- Economic policy uncertainty
- Corruption levels
- Bribery rates
- Human freedom (personal & economic)
- Transparency index
- Worker rights
- Child labour
- Diversity & equal opportunity
- Forced or compulsory labour
- Labour-management relationships

Pursuant to Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "**Disclosures Regulation**"), HLIM is required to disclose the "likely" impact of these Sustainability Risks on the overall financial returns of the Funds. Having considered the above Sustainability Risks in the context of the Funds' portfolios and given that HLIM seeks to mitigate the impacts of such Sustainability Risks on the Funds' returns by integrating a consideration of such Sustainability Risks into its investment decisions in the manner set out above, HLIM currently considers that the likely impact of Sustainability Risks on the overall financial returns of the Funds' portfolios will not be material.

The above list of Sustainability Risks and HLIM's assessment of the likely impact on the financial returns of the Funds are both based on HLIM's good faith assessment and on assumptions which HLIM considers to be reasonable at the time of such assessment. The consideration of Sustainability Risks may include the consideration of criteria which are open to subjective interpretation. HLIM may adapt its implementation of environmental, social & governance ("**ESG**") considerations and Sustainability Risk integration in accordance with relevant local laws or regulations.

Assessment of Sustainability Risks is complex and may be based on ESG data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. The above list of Sustainability Risks is not an exhaustive list of all Sustainability Risks related to ESG which could have a negative impact (whether or not material) on the value of an investment in the Funds' portfolios and there can be no guarantee that the actual impact of the Sustainability Risks on the Funds' returns will not be materially greater than the likely impact as assessed by HLIM.

Any target returns of the Funds have been set having taken into account HLIM's assessment of the likely impact of the Sustainability Risks outlined above. Consequently, nothing in the preceding paragraphs is intended in any way to qualify or amend any target returns of the Funds. Notwithstanding the above, any target returns of the Funds remain subject to the risks and qualifications detailed in the fund documentation of the relevant Funds.

No consideration of sustainability adverse impacts

Consistent with its obligations under the Disclosures Regulation, HLIM does not currently consider "the adverse impacts of its investment decisions on sustainability factors" (as such terms are given meaning within the Disclosures Regulation). This is because the final investment decisions made by HLIM take into account a broad range of factors with the aim of achieving the best outcomes for its clients in a range of situations, and over the relevant and appropriate time horizons. The adverse impacts on sustainability factors may not be determinative in such investment decisions. HLIM does not currently expect to change this approach, but any material amendment to the approach will be disclosed on its website in accordance with the Disclosures Regulation.

Remuneration Policy

HLIM ensures its Remuneration Policy is consistent with the integration of Sustainability Risks into HLIM's investment decision-making processes by including a statement whereby the measurement of performance used to calculate the amount of variable remuneration to be allocated to HLIM's staff members is determined by taking into account the full range of current and potential risks, including ESG related risks, associated with activities undertaken.