

### **Principal Adverse Sustainability Impacts Statement (Article 4 of Regulation (EU) 2019/2088)**

Capital Dynamics considers responsible investing (“RI”) factors as part of the investment process, but at this stage does not consider the adverse impacts of its investment decisions on sustainability factors pursuant to EU Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (“SFDR”) for all assets under management. The European Supervisory Authorities have clarified in the Q&A JC 2022 62, dated 17 November 2022, that the consideration of adverse impacts on sustainability factors under Article 4 SFDR requires the data collection and aggregation of principal adverse impacts (“PAIs”) for all assets under management. Capital Dynamics is currently not in a position to consider PAIs for all financial products, but does so for those products where it is reasonably practicable to do so.

The reason Capital Dynamics cannot collect PAI information for all of its funds and investments lies in the insufficient data currently available with satisfactory quality in the private markets to allow Capital Dynamics to adequately assess the potential adverse impact of its investment decisions on sustainability factors for all financial products. Capital Dynamics does however consider PAIs for some financial products in line with Article 7 SFDR, where data coverage and quality are satisfactory. This position will be kept under review and Capital Dynamics intends to continue engaging with its portfolio companies and GPs to improve data availability and quality in private markets over time.

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