

According to “Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (“SFDR”) financial market participants shall publish on their websites information about their policies on the integration of sustainability risks in their investment decision-making process as well as a) where they consider principal adverse impacts of investment decisions on sustainability factors, a statement on due diligence policies with respect to those impacts, taking due account of their size, the nature and scale of their activities and the types of financial products they make available; or (b) where they do not consider adverse impacts of investment decisions on sustainability factors, clear reasons for why they do not do so, including, where relevant, information as to whether and when they intend to consider such adverse impacts.

### **Policies on the integration of sustainability risks in their investment decision-making process**

Sustainability risks are environmental, social or governance events or conditions that, if they occurs, could cause an actual or a potential material negative impact on the value of the investment (the “Sustainability Risks”). GADD & Cie S.A. do not have a sustainable investment objective nor promote environmental or social characteristics and thus do not fall in the scope of article 8(1) or article 9(1), (2), (3) of the SFDR. The investments do not take into account the EU criteria for environmentally sustainable economic activities. Furthermore, the ESG aspects are not binding for the investment decision process and investment selection process. The study of financial results of potential investments may be supplemented with additional qualitative and quantitative non-financial analysis including Sustainability Risks that may be factored into investment decision making and ongoing risk monitoring to the extent they represent potential or actual material risks and/or opportunities to improve long-term risk-adjusted returns. Although primarily factors other than sustainability-related factors are taken into account in the investment decision process, the investments remain however exposed to a broad range of Sustainability Risks that, if occur, can have a negative impacts on the investments. Considering however the diversification of the investments, GADD Cie S.A. deems that no single Sustainability Risks have to be considered as material.

### **Principal adverse impacts**

In accordance with the SFDR, principal adverse impacts should be understood as those impacts of investment decisions that result in negative effects on sustainability factors, as defined by the SFDR.

GADD Cie S.A. do not take into account principal adverse impacts of its investment decisions on sustainability factors considering that: 1) the size, the nature and the scale of the activities of GADD Cie S.A. are not deemed likely to create material adverse impacts on sustainability factors 2) there’s currently a lack of information and data available to adequately assess such principal adverse impacts.