



Sustainability-Related Disclosures

As Napier Park Global Capital (US) LP (the "AIFM") manages certain alternative investment funds (the "Funds") registered for marketing under the Alternative Investment Fund Managers Directive (2011/61/EU) ("AIFMD") in one or more member states of the European Economic Area ("EEA"), the AIFM is required by the Sustainable Finance Disclosure Regulation (Regulation 2019/2011) (the "SFDR") to make certain disclosures on its website, including information about the AIFM's policies on the integration of sustainability risks into its investment decision-making process; its approach to adverse sustainability risks; and the consistency of its remuneration policies with the integration of sustainability risks. For these purposes, sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

No consideration of sustainability adverse impacts

The AIFM does not currently consider adverse impacts of investment decisions on sustainability factors as the Funds are not designed to be solely ESG focused investment products. The AIFM's primary focus is therefore achieving risk-adjusted returns for the Funds. Notwithstanding the foregoing, certain funds managed by the AIFM may include ESG considerations in their investment programs as detailed in relevant offering documentation.

Policies on the integration of sustainability risks into the investment decision-making process

The Funds' investment strategies with respect to Funds registered for marketing under the AIFMD in one or more member states of the EEA do not require the AIFM to take account of sustainability risks as part of its investment decisions relating to the Funds. In addition, these Funds' strategies do not explicitly incorporate sustainability-related restrictive screening or exclusionary criteria. However, as part of its fundamental approach to investing, the AIFM considers risks presented by ESG factors alongside liquidity risks, market risks and other circumstances that may influence the performance of the Fund's investments.

In particular, ESG underperformance has the potential to affect a company's value and the AIFM conducts a periodic ESG review of all investments which may be used to identify key ESG risks at an investment or portfolio level.

The AIFM takes a fundamental and research-intensive approach to investing, where downside risk assessment is central to each investment decision. The AIFM takes care not to unduly overweight sustainability risks to the detriment of normal risk analysis.

Consistency of remuneration policy

Although the AIFM acknowledges that the sustainability risks may be relevant to the investments held by the Funds, the AIFM does not currently take account of sustainability risks as a separate part of its investment decision making processes. As it is not currently possible for the AIFM to separately assess the likely impact of sustainability risks on the returns of the Funds, this is not reflected in the overall level of variable remuneration awarded to staff.