

**Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Product name:** Heptagon Future Trends Equity Fund (the “Fund”)

**Legal entity identifier:** 549300XTPVBSVPM7K354

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

**Yes**

It made **sustainable investments with an environmental objective:** \_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:** \_\_\_%

**No**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the period covered by this report (12 months to 30 September 2024), the Fund complied with its environmental and social characteristics via the following:

- Application of the Fund’s exclusion policy as detailed in the Fund’s prospectus. There were no breaches of the exclusion policy over this period.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

- Consideration of ESG ratings and data from external providers and in house analysis
- Dialogue and engagement with the Fund’s holdings, including onsite visits to company headquarters and operations.

The Fund publishes each quarter a dedicated sustainability report which details full engagement and site visits with all the businesses that have occurred over this period. In addition, this work is complemented by insights from our in-house sustainability database. This is maintained by the Investment Team and is populated with information from publicly available sources (Annual Reports, 10-K filings, sustainability reports) and, where relevant, from direct conversations with Investor Relations Team at the businesses in question. Each sustainability report also includes an update on how MSCI rates the businesses within the Fund and the extent to which ratings have evolved relative to the prior quarter.

On the majority of the metrics tracked by the Fund, there has been demonstrable progress over the 12-month period to 30 September 2024. Over 75% of the Fund’s investments now link executive remuneration to sustainability objectives, versus fewer than 65% a year prior. An increasing percentage (82% vs 61%) have committed to net neutrality and over 90% have formal emissions targets in place. Further, over 70% of the Fund’s businesses are classified as leaders (AAA or AA ratings by MSCI). Note that these figures partially reflect changes that may have occurred in the portfolio over the period in question, but the direction of travel should be clear and can be supported by external data.

In any given quarter, the Fund will typically meet with 20-25 businesses, of which 10-15 will comprise portfolio holdings. A full list of meetings is available on request.

● ***How did the sustainability indicators perform?***

The Sub-Investment Manager considers the below when monitoring how underlying companies invested in by the Fund meet E/S characteristics:

- A positive rate of change, progress in respect of the company’s environmental and social objectives and disclosures; and
- Areas for improvement, which leads to further engagement with investee/potential companies.

The Sub-Investment Manager has published quarterly sustainability reports since Q2 2020 that tracks the progress of the Fund on both a qualitative and quantitative basis. A proprietary database of information gathered from published Sustainability Reports and conversation with the businesses owned within the Fund supports this output. The Sub-Investment Manager also uses data published by external agencies (particularly MSCI) as a way to assess sustainability progress. Notwithstanding changes to the portfolio over the 12-month period, 71% of the underlying investments in the Fund currently receive a leading (AAA or AA) rating from MSCI in respect of sustainability.

	Q4 23	Q1 24	Q2 24	Q3 24
<b>Environmental factors</b>				
Emissions targets in place?	86%	91%	90%	91%
Commitment to net neutrality	73%	77%	81%	82%
Science-based targets	55%	59%	57%	68%
<b>Social factors</b>				
Diversity Commitments	100%	100%	100%	100%
Quantitative Diversity targets in place?	59%	55%	57%	55%
<b>Other considerations</b>				
C-level management remuneration linked to ESG targets?	64%	68%	71%	77%
Independent Board: average %	87%	82%	84%	84%
ESG, Sustainability or CSR report published?	100%	95%	100%	100%

Source: Heptagon Capital, Company reports

● *...and compared to previous periods?*

	Previous period Q3 23	Current period Q3 24
<b>Environmental factors</b>		
Emissions targets in place?	77%	91%
Commitment to net neutrality	61%	82%
Science-based targets	57%	68%
<b>Social factors</b>		
Diversity Commitments	100%	100%
Quantitative Diversity targets in place?	59%	55%
<b>Other considerations</b>		
C-level management remuneration linked to ESG targets?	64%	77%
Independent Board: average %	87%	84%

Source: Heptagon Capital, Company reports

● *What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?*

Not applicable. The Fund promoted E/S characteristics but did not make any sustainable investments.

● *How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?*

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Not applicable.

— — — *How were the indicators for adverse impacts on sustainability factors taken into account?*

Not applicable.

— — — *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable.



### How did this financial product consider principal adverse impacts on sustainability factors?

The Fund did not consider PAIs for the reference period of this periodic report.



### What were the top investments of this financial product?

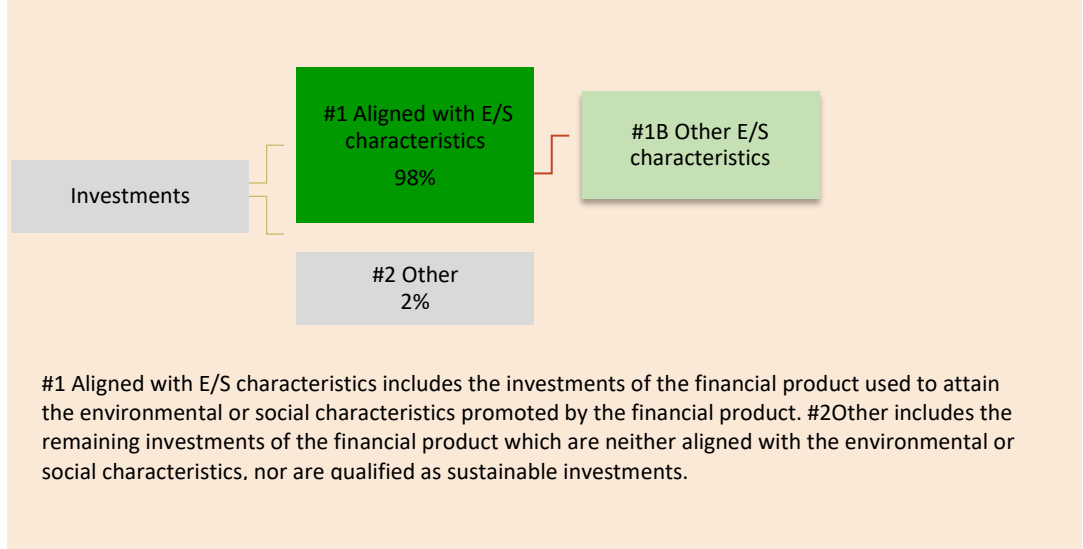
<b>Largest investments</b>	<b>Sector</b>	<b>% Assets</b>	<b>Country</b>
ASML Holding NV	Information Technology	6.1	Netherlands
Novo Nordisk A/S Class B	Health Care	5.6	Denmark
Quanta Services, Inc.	Industrials	5.4	United States
Mastercard Incorporated Class A	Financials	5.3	United States
Xylem Inc.	Industrials	5.2	United States
Prologis, Inc.	Real Estate	5.2	United States
Equinix, Inc.	Real Estate	5.1	United States
Thermo Fisher Scientific Inc.	Health Care	4.9	United States
Intuitive Surgical, Inc.	Health Care	4.8	United States
Cheniere Energy, Inc.	Energy	4.7	United States
GXO Logistics Inc	Industrials	4.5	United States
First Solar, Inc.	Information Technology	4.4	United States
Palo Alto Networks, Inc.	Information Technology	4.2	United States
Vestas Wind Systems A/S	Industrials	4.0	Denmark
Mowi ASA	Consumer Staples	4.0	Norway

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 1 October 2023 to 30 September 2024

## What was the proportion of sustainability-related investments?

Not applicable

### ● What was the asset allocation?



### ● In which economic sectors were the investments made?

Sector	Sub-sector	Weighting (%)
Communication Services	Interactive Media & Services	2.3
Consumer Discretionary	Automotive Parts & Equipment	0.8
	Education Services	0.6
	Hotels Resorts & Cruise Lines	3.7
Consumer Staples	Packaged Foods & Meats	4.0
Energy	Oil & Gas Storage & Transportation	4.7
Financials	Transaction & Payment Processing Services	5.3
Health Care	Health Care Equipment	8.2
	Life Sciences Tools & Services	4.9
	Pharmaceuticals	5.6
Industrials	Air Freight & Logistics	4.5
	Construction & Engineering	6.3
	Heavy Electrical Equipment	4.0
	Industrial Machinery & Supplies & Components	5.2
Information Technology	Application Software	0.7
	Electronic Equipment & Instruments	5.2

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**Asset allocation** describes the share of investments in specific assets.



	Semiconductor Materials & Equipment	6.1
	Semiconductors	7.7
	Systems Software	5.1
Materials	Paper & Plastic Packaging Products & Materials	3.2
Real Estate	Data Center REITs	5.1
	Industrial REITs	5.2
Cash	Cash	1.5



**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable.

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

Yes:

In fossil gas  In nuclear energy

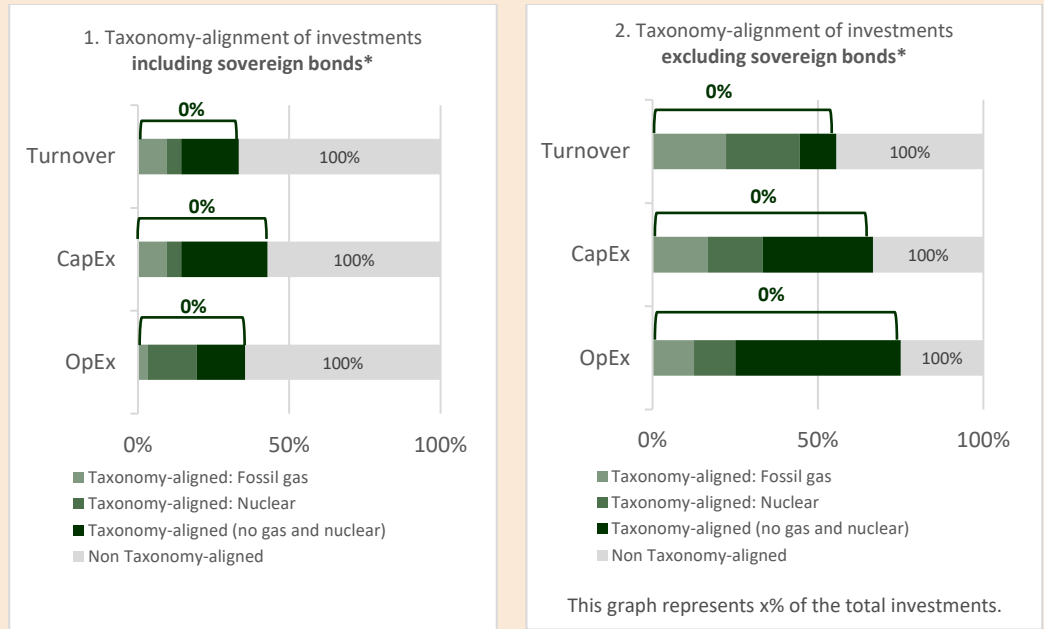
No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

*The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

● **What was the share of investments made in transitional and enabling activities?**

The share of investments in transitional and enabling activities invested in by the Fund was 0%.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable since the fund does not make investments aligned with the EU Taxonomy.



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

Not applicable.



**What was the share of socially sustainable investments?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### **What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

Cash and other instruments such as deposits were used for liquidity, hedging and efficient portfolio management. To the extent that these instruments were used, they constituted a minority of the Funds holdings and have adequate minimum safeguards, achieved through exclusions and investment screening criteria.



### **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

During the reference period, the environmental and/or social characteristics were met by following the investment strategy and applying exclusion criteria as per the supplement for the Fund. The investment strategies and/or exclusion criteria are monitored to ensure adherence.

Throughout the period, the Sub-Investment Manager also engaged with selected companies, in particular on where the underlying companies within the Fund could improve in respect of their sustainability initiatives. Key topics of focus include increased levels of financial disclosure and the linkage between progress on sustainability metrics and executive remuneration. Naturally, discussion topics will vary by business. In some instances the Sub-Investment Manager has specifically engaged with businesses on how to scope and then improve their sustainability strategies.

Over the reference period, the number of engagements per quarter are noted below. These include C-level management meetings, small group meetings with company representatives as well as Capital Market events. Some of these meetings were conducted virtually however the vast majority are done face to face.

Q4 2023: 20

Q1 2024: 26

Q2 2024: 16

Q3 2024: 22

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



### **How did this financial product perform compared to the reference benchmark?**

- ***How does the reference benchmark differ from a broad market index?***  
Not applicable.
- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***



Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.