

Introduction

The EU Sustainable Finance Disclosure Regulations ("SFDR") requires Toscafund Asset Management LLP ("Toscafund", "the firm") to make a "Comply or explain" decision whether to consider the principle adverse impacts ("PAIs") or other decisions on sustainability factors, in accordance with a specific regime as outlined in SFDR. The firm have decided not to comply with the SFDR regime. We are therefore required to publish and maintain on our website a statement to explain our reasons for not complying with the PAI regime in SFDR.

The Firms Statement - on the requirement of the PAI regime in Article 4 of SFDR

Toscafund does not consider principle adverse impacts (PAIs) on sustainability factors as the necessary data is not consistently available on the investment universe to a sufficient extent. Toscafund will review considerations of the PAIs at future dates and will formally review its decision on an annual basis.

Not notwithstanding the firm's decision not to comply with the PAI regime, the firm wishes to reaffirm our overall commitment to ESG matters.