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: **HCAPITAL II - FUNDO DE CAPITAL DE RISCO FECHADO ("HCapital II" or the "Fund")**
Legal entity identifier: 25490014YKY0S5KMKP60
Reference Period: January,1st, 2025 to December, 31st, 2025

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.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ 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
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

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.

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

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

The Fund promotes environmental and social characteristics but does not aim at making exclusively sustainable investments. During the Reference Period it acted in accordance to these objectives across the entire investment cycle, from the identification of investment opportunities and the assessment of associated environmental risks and opportunities, to the active engagement with portfolio companies in defining and implementing improvement measures, as well as monitoring the progress of relevant indicators.

The environmental and/or social objectives promoted by the Fund include, but are not limited to:

• **Gender pay-gap reduction**: The Fund favours the promotion of social and labour equality, with a particular emphasis on gender pay equality and the reduction of the pay gap between hierarchies;

• **Climate risk mitigation:** Climate risk mitigation is central to the Fund's strategy. As such, the investees are actively encouraged by HCapital to develop and implement emission reduction plans, recognizing the urgency of addressing climate change and its impact on the business environment;

• **Operational optimization:** Positive social impact is underpinned by continuous improvement in the operating performance of the companies in HCapital invests. By optimizing management and performance, investees not only boost profitability but also contribute to a more sustainable and resilient economy.

Pursuant to the HCapital's Responsible Investment Policy, ESG reporting tools were implemented during the Reference Period in recently made investments, namely, Italbox (Jul-25) and Native (Oct-25). Native remained excluded from the data analysis as the company was unable to recompile data from prior to HCapital's investment. Data covering the entire Reference Period was available for all remaining portfolio companies of the Fund. Below we emphasize the evolution of key ESG metrics for this perimeter:

- In 2025, the portfolio's GHG emission intensity (Scope 1 and 2) was affected by the inclusion of new investees and build-ups executed during the year, and the inclusion of Vidrexport's GHG data for the first time. The porfolio weighted average GHG emission intensity reached 85.7 tCO2e per million euros of revenues, which compares to 6.7 tCO2e in 2024. This increase mostly reflects the inclusion of Vidrexport's data, which, as a glass producing company, ranks high in terms of energy consumption intensity, alone having a GHG emissions intensity of 659 tCO2e per million euros of revenue. Despite its structurally higher impact, Vidrexport completed the integration of a new hybrid furnace which uses 50-50% of natural gas and electicity as power sources, in a move which greatly reduces the use of fossil-fuels in production as compared to the more common gas-only furnaces. In parallel the company has installed a PV panel production center on its rooftop that produced 632MWh of energy in 2025, c.11% of its consumption needs further reducing its carbon footprint. With respect to the remaining portfolio, measures were taken to reduce GHG emissions intensity leading to a reduction of 51%, 31%, 23% and 11% in NWCC, Vipremi, Lival and PPP, respectively. AVK and Millasur's GHG emission intensity increased 17% and 5% respectively. Notwithstanding these companies have fairly low intensity ratios with AVK and Millasur standing at 1.7 tCO2e and 0.6 tCO2e per million euros of revenue, respectively.

- Most investees were able to increase their renewable energy use. NWCC, AVK, Vipremi and Italbox all increased their % of renewable energy use, on average standing at 67%. PPP mostly maintained its % of renewable energy use at 84% (vs. 85% in 2024). The sole exceptions to this trend were Lival and Millasur. The first deployed its new facilities during the year, being unable to incorporate as much renewable energy in those facilities as in its headquarters, during the setup period, but returned to full renewable energy consumption already in 2026. Millasur remains at 0% incorporation of renewable energy, with talks ongoing with the company's energy supplier to improve this metric. Finally, Vidrexport entered the portfolio with a ratio of 11% renewable energy incorporated in its production – the relatively lower ratio is justified by the high energy intensity of Vidrexport's operation.

- On the social side, the Fund's investees average unadjusted gender pay-gap stood at 0.90, which compares to 0.95 in 2024. This evolution reflects: (i) positive trends in PPP, Millasur, and Vipremi, all of them improving their ratios, (ii) AVK mostly sustaining its ratio of 1.0 and (iii) Lival and NWCC slightly decreasing their ratios but remaining relatively high at 0.89 and 0.86, respectively. The average absenteeism rate of existing portfolio companies remained under control at 4.4% with Italbox and Vipremi at the higher range of the interval currently implementing policies to address employee satisfaction.

How did the sustainability indicators perform?

HCapital monitors a broad set of sustainability indicators, which are reported to investors annually through the HCapital II Annual ESG Report—providing detailed analysis for each investee—as well as in the SFDR disclosures published on HCapital's website (link).

Additional information, including investee-specific indicators, is shared with investors on a quarterly basis through HCapital II's quarterly reports and discussed internally within the Board of Directors of each investee.

In 2025, portfolio companies for which there is a basis for comparison with the previous year demonstrated progress across most environmental and social characteristics outlined above, namely GHG emissions intensity, water usage and social factors. There is still room for improvement, particularly among newly added investees, namely concerning information quality, policies' implementation, GHG scope 3 measurement and supply chain due diligence and control.

…and compared to previous periods?

Not applicable since this is the first periodic report..

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 promotes environmental and/or social characteristics but does not make exclusively 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?

Not applicable. The Fund promotes environmental and/or social characteristics but does not make any exclusively sustainable investments.

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.

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

Not applicable. The Fund promotes environmental and/or social characteristics but does not make exclusively sustainable investments.

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

Not applicable. The Fund promotes environmental and/or social characteristics but does not make exclusively sustainable investments.

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

Information regarding the principal adverse impacts (PAIs) associated with investment decisions is included in the Annual ESG Report provided to investors, in accordance with Article 11(2) of Regulation (EU) 2019/2088 (SFDR). Additionally, these impacts are also addressed in the Principal Adverse Impact Statement, pursuant to Article 4 of the same regulation, which is available in HCapital Partners' website (link).

As defined in HCapital's Responsible Investment Policy, PAIs associated with investment decisions are an integral part of all stages of the Fund's investment process. During the DD stage, high-risk ESG matters are identified and targeted for resolution and/or

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

mitigation. In case such risks cannot be addressed/mitigated, the investment opportunity is rejected.

During the monitoring stage, on a quarterly basis, portfolio companies report ESG KPIs which are discussed at Board level, allowing for the measurement of PAIs and monitoring of progress made in mitigation or improvement of projects at hand. If any indicator is identified as high-risk or showing potential for improvement, HCapital actively engages with the investee either directly or with the support of a specialized third-party to define an action plan with improvement measures in that specific area.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **01/01/2024 to 31/12/2024**

What were the top investments of this financial product?

Largest investments	Sector	% Assets [12]	Country
Vidrexport	C23.1 Manufacture of glass and glass products	15%	Portugal
Vipremi	C23.6 Manufacture of articles of concrete, cement and plaster	12%	Portugal
Lival	C17.2 Manufacture of articles of paper and paperboard	10%	Portugal
AVK	N77.3 Supplier of audiovisual services	9%	Portugal
Millasur	G46.6 Wholesale of other machinery, equipment and supplies	9%	Spain

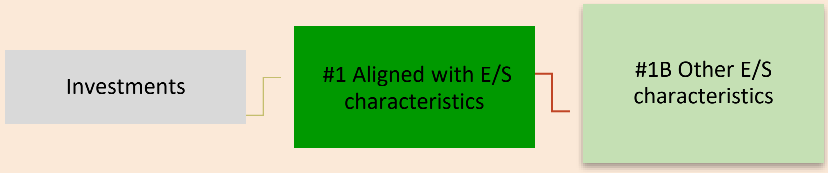
[12] Total invested amount by company divided by total committed capital.

Largest investments	Sector	% Assets [12]	Country
New Terracotta (NWCC)	C.23.3 Manufacture of clay building materials	9%	Portugal
Italbox	C25.12 Manufacture of metal doors, windows, their frames, metal blinds, gates, etc.	9%	Portugal
Native	C10.52 Manufacture of ice cream and other edible ices (such as sorbet)	9%	Portugal
PPP	A18.1 Printing and service activities related to printing	6%	Spain

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

In the Reference Period, 100% of the Fund's investments promoted social or environmental characteristics.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- ***What was the asset allocation?***

  In the reference period, 100% of the Fund's investments promoted social or environmental characteristics.

- ***In which economic sectors were the investments made?***

  The Fund’s investments were made in the following sectors: flexographic prepress; development and production of paper packaging solutions; design, manufacturing and transformation of small-format tiles; audiovisual solutions for events; distribution of gardening, forestry and agriculture equipment; manufacturing of glass packaging; manufacturing of lightweight precast concrete acessories;

manufacturing of shower cabins, bathroom furniture and solid surface; and manufacturing of acai sorbet and other frozen-fruit based products.

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

Not applicable. The Fund promotes environmental and/or social characteristics but does not make exclusively sustainable investments.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[13]?**

  ☐ Yes:

  ☐ In fossil gas ☐ In nuclear energy

  ☒ No

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

  Not applicable.

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

  Not applicable.

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

Not applicable. The Fund promotes environmental and/or social characteristics but does not make exclusively sustainable investments.

What was the share of socially sustainable investments?

Not applicable. The Fund promotes environmental and/or social characteristics but does not make exclusively sustainable investments.

[13] 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.

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

Not applicable. The Fund promotes environmental and/or social characteristics but does not make exclusively sustainable investments.

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

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

During the Reference Year HCapital maintained regular engagement with management teams of the investees to ensure the effective implementation of the proposed ESG measures and to monitor their impact on the indicators refered in the first question. A non-exhaustive list of relevant measures implemented include:

(i) installation of a hybrid furnace in 2024 coming into full force in 2025 in Vidrexport, resulting in a substantial reduction in natural gas consumption relative to conventional furnace technology;

(ii) continued encouragement of investees to increase their share of renewable energy through renegotiation of energy supply contracts and installation of additional autoconsumption;

(iii) reduction in PPP’s use of diluents and solvents in its flexographic production process upon the installation of a new destilling machine;

(iv) beginning of the works to renovate AVK’s residual water disposing facilities in its headquarters (completed already in 2026).

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

No reference benchmark was designated to assess the environmental and social characteristics promoted by the Fund.

- ***How does the reference benchmark differ from a broad market index?***

  No benchmark has been designated.

- ***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?***

No benchmark has been designated.

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

  No benchmark has been designated.

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

  No market index has been designated.