## Ropes & Gray LLP - Discussion Draft: SFDR Manager-Level Website Disclosure

PEP Management (Jersey) Limited (the "**Manager**") makes the following disclosures in accordance with Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (as amended, "**SFDR**").

### 1. Integration of sustainability risks in investment decisions

"Sustainability Risk" is defined in the SFDR as "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".

Such Sustainability Risks are integrated into the investment process via the Manager's investment process (as described below) solely to the extent that the Manager determines that they represent potential or actual material risks and/or opportunities to maximizing the long-term risk-adjusted returns of a sponsored fund.

Before making an investment decision on behalf of a sponsored fund, the Manager identifies and assesses what it believes are the material risks associated with the proposed investment, including Sustainability Risks that it believes to be material. The Sustainability Risks that will be considered will depend on the particular proposed investment. These risks form part of the overall investment analysis and the identified risks are assessed alongside other relevant considerations. Following such assessments, the Manager makes investment decisions having regard to the respective fund's investment policy and objectives, taking into account Sustainability Risks and the Manager's duties toward its investors as described in the fund's partnership agreement.

In relation to integrating Sustainability Risk into its investment decision-making process, the Manager will, where consistent with its fiduciary and other duties and otherwise commercially practicable, endeavor to take into account environmental, social and governance considerations. In particular (but without limitation) it typically considers environmental, safety, social issues and governance practices during the due diligence stage of the investment process.

### 2. Principal Adverse Impacts

The Manager does not consider the adverse impacts of investment decisions on sustainability factors within the meaning of the SFDR. While the Manager appreciates the importance of limiting the ESG impacts of its investment decisions, the Manager considers that its existing ESG policies and procedures, which are appropriate and proportionate for the investment strategies of its funds under management, are able to achieve this objective. The Manager is also mindful of the evolving nature of the underlying SFDR rules as well as the challenges in obtaining the ESG data and information required to adequately assess the adverse impacts of its investments on sustainability factors. The Manager will keep its position on adverse impacts under review and re-evaluate this position on an annual basis.