

**Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector dated 27 November 2019 (“SFDR”)**

**TRANSPARENCY OF SUSTAINABILITY RISK POLICIES (Article 3, SFDR)**

Edelweiss Alternative Asset Advisors Pte. Limited and affiliated entities that serve as Alternative Investment Fund Managers to affiliated investment funds (the “Edelweiss”) considers sustainability risks that are material to its investments during the course of its pre-investment due diligence through the application of its Environment, Social & Governance ESG Policy (“ESG Policy”) and related procedures, which define its approach towards integrating the consideration of sustainability risks.

Examples of sustainability risks may include the following:

- **Environment** - e.g. climate change, natural resources, pollution and waste, extreme weather-related event risks;
- **Social** - e.g. human capital and human rights, product liability, stakeholder opposition to controversial practices of any kind; and/or
- **Governance** - e.g. an empowered and effective board, effective systems for internal control and risk management covering ESG and other areas of risk, suitable transparency and accountability business ethics, anti-competitive practices, corruption.

Edelweiss integrates sustainability risks into its investment decisions in the following ways:

- **Exclusion policy:** Application of an exclusions policy on direct investments in companies which derive their revenue from a prescribed exclusion list – e.g. animal testing, betting, gambling, production of defense equipment / weapons.
- **Pre-investment ESG Assessment:** Investment teams seek to conduct an assessment of sustainability risks as part of pre-investment diligence. On a case-by-case basis and as required, external advisors may be engaged to carry out additional diligence. Sustainability risks, where applicable, form a part of the investment process and will be shared with the Investment Committee. Material sustainability risks, including any findings and next steps, are documented and recorded by Edelweiss.

The investment team is responsible for ensuring that the consideration of sustainability risks is integrated into the investment decision-making process in collaboration with the risk, compliance and product teams. External resources, as relevant and necessary, may be utilized if additional subject matter expertise is needed.

**NO CONSIDERATION OF ADVERSE SUSTAINABILITY IMPACTS AT ENTITY LEVEL (Article 4, SFDR)**

Edelweiss does not consider adverse impacts of investment decisions on sustainability factors as specifically set out in the SFDR. Edelweiss has chosen not to do so for the present time, as it considers its ESG Policy to be appropriate and proportional to the investment strategies of its funds. Edelweiss will continue to monitor regulatory developments with respect to the SFDR and other applicable ESG-focused laws and regulations, and will, as appropriate, make changes to existing policies and procedures.