

Sustainable Finance Disclosures

Classification of the Luxembourg Alternative Investment Fund Dolomites Partners SCSp (“Dolomites”) under Sustainable Finance Disclosure regulation (SFDR).

Dolomites, which is managed by Hindu Kush Sá r.l. (“HK”) as Alternative Investment Fund Manager, has been classified as an “Article 6” product under the SFDR.

The SFDR forms a key part of the EU’s overall sustainable finance framework and is one of the offshoots of the EU Action Plan for financing sustainable growth and a greener Europe. The mandatory disclosure requirements incorporate sustainability into risk management, and foster transparency and long-term vision in financial and economic activity. These disclosures are meant to provide greater transparency on the degree to which sustainability considerations drive how the investment process is managed, requiring firms to provide information in a standardised way, aiding comparability.

In line with the European Commission recommendations, Dolomites seeks to comply with the specific disclosure obligations in the SFDR that are reliant on the Level 2 RTS on a high level and principles-based approach. Dolomites and HK are making this disclosure as a means of meeting this requirement.

As one of the core requirements, SFDR requires firms to classify a financial product such as Dolomites into one of the following:

- (a) a fund that promotes among other characteristics, environmental or social characteristics, or a combination of those characteristics (an Article 8 Fund); or
- (b) a fund that has a sustainable investment objective (an Article 9 Fund); or
- (c) a fund that does not meet the criteria to qualify either as an Article 8 Fund or an Article 9 Fund (an Article 6 Fund).

Dolomites invests solely in industrial and commercial property in Eastern Germany and has been classified as an Article 6 Fund as the fund’s strategy does not have a primary ESG focus.

No consideration of adverse sustainability impacts

The following disclosures are made in accordance with Article 4(1)(b) of SFDR.

The investment strategy of the Dolomites does not formally require it to consider sustainability risk in investment decisions as specifically contemplated by the SFDR. This is mainly due to the nature of the assets in which USAF invests, which are industrial and commercial property in Eastern Germany.

However, HK is committed to responsible investment and therefore intends to manage the Dolomites in accordance with the principles set out in the Sustainability Strategy and Net Zero Carbon Pathway to the extent possible. For example, when assessing the merits of potential investments, environmental performance is assessed against the four-Cs: consumption of energy, carbon emissions, cost of capital investments required to future-proof assets and reduce utilities costs, and compliance with regulations including Minimum Energy Efficiency Standards. HK will continue to closely monitor regulatory developments with respect to the SFDR and other applicable ESG-focused laws and regulations, including

the implementation of related and secondary legislation and regulatory guidance and will, where required or otherwise appropriate, make changes to its existing policies and procedures. Further information on the approach of the trust manager can be found in the Sustainability and Net Zero Carbon Pathway or requested by contacting HK.

#