

Information on the consideration of principle adverse impacts of investment decisions on sustainability factors

1. The AIFM and legal framework

PANDOO Management (hereinafter "the AIFM") is an alternative investment fund manager authorised pursuant to the Luxembourg law of 12 July 2013 on alternative investment fund managers (hereinafter "AIFM Law").

Within the scope of its regulatory authorisation, the AIFM manages funds that qualify as alternative investment funds (hereinafter "AIF" or "alternative investment funds").

1.1 Sustainability-related disclosures in the financial services sector

On 27 November 2019, Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial services sector (hereinafter "SFDR") was published and entered into force on 10 March 2021.

The main objective of the SFDR is to create transparency on

1. how sustainability risks are considered in the management of AIFs; and
2. if principal adverse impacts of investment decisions on sustainability factors ("comply or explain") are considered in the management of AIFs.

These transparency requirements apply in principle to both, the AIFM as well as the alternative investment funds managed by the AIFM. Further clarifications and details on application of specific requirements of the SFDR were made through Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of 'do no significant harm', specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports (hereinafter "RTS").

2. Purpose of this document

This statement explains the AIFM's decision to consider principal adverse impacts (hereinafter "PAIs") of investment decisions on sustainability factors for the applicable AIFs, covering the period from 1 January 2022 until 31 December 2022.

The statements on consideration of the PAIs for each respective AIF (the "Statements") are published under the section "Statements on principal adverse impacts of investment decisions on sustainability factors" by 30 June 2023, as required by the Art. 4 (1) RTS, and in the form of the template set out in Table 1 of Annex I RTS, as required by the Art. 4 (2) RTS.

The Statements reflect inter alia the information on the mandatory and additional indicators related to PAIs (the "Indicators").

The assessment of the PAIs (where applicable) will be made jointly by the Investment Advisor or delegated Portfolio Manager and the AIFM, taking into consideration the data made available.

The PAIs are to be considered in the due diligence of the Investment decision making process of the respective AIFs managed by the AIFM. The AIFM has updated its Portfolio Management Policy in the part of Due Diligence Processes on the matter of consideration of the PAIs of investment decisions on sustainability factors, as required by Art. 4 (a) SFDR.

3. Policy review

This policy will be reviewed and updated annually, and on an ad hoc basis in case of relevant changes to the organisational structure of the AIFM, in case of amendments to the regulatory framework governing this policy or if otherwise deemed necessary.

The AIFM expects to perform its next review as of 30 June 2023, with regard to the content, methodologies and presentation of disclosures pursuant to Article 2a (3), Article 4 (6) and (7), Article 8 (3), Article 9 (5), Article 10 (2) and Article 11 (4) of the SFDR which shall be applied.

Luxembourg, September 2023