EU Sustainable Finance Disclosure Regulation

Under the EU Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (the "**SFDR**"), financial market participants are subject to certain sustainability disclosure obligations. As an investment fund manager, STAR Capital Partnership LLP ("**STAR**") is required to make the following disclosures on its website in accordance with Articles 3 to 5 of the SFDR.

1. Integration of sustainability risks

A sustainability risk means "an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment". STAR considers sustainability risks which, if they were to crystallise, would cause a material negative impact on the value of the portfolios of STAR's funds. Before STAR makes any investment decisions on behalf of any funds that it manages, as part of pre-deal assessment and due diligence, STAR profiles ESG risk to identify material adverse factors and value creation opportunities. Additionally, certain STAR funds utilise negative screening to exclude certain investments from the portfolio (the details of which can be found in the relevant fund documentation). In the context of its investment evaluation process, STAR's investment committee considers all the identified risks alongside other relevant factors set out in the investment proposal. Following its assessment, the investment committee makes relevant investment decisions having regard to the relevant fund's investment policy and objectives. Throughout the entire process, relevant sustainability risks are identified and assessed using the same process as is applied to other relevant risks affecting the funds and investments made on their behalf.

2. Consideration of principal adverse impacts

STAR does not consider the principal adverse impacts ("**PAIs**") of its investment decisions on sustainability factors under the PAI regime (the "**PAI Regime**") within the meaning of Article 4(1)(a) of the SFDR. STAR invests across many different asset classes, in portfolio companies with differing liquidity profiles and for ranging investment holding periods. There is currently no certainty that STAR could gather, or measure, all such data that it would be obliged to gather under the PAI Regime. This is in part because underlying portfolio companies are not widely obliged to, and overwhelmingly do not currently, report by reference to the same data. Even if STAR were able to gather such data, there is no certainty (a) that it could do so systematically, consistently and at a reasonable cost to fund investors across all of its funds or (b) that such data would provide meaningful insight to investors. This data gap is not expected to change in the foreseeable future, but STAR nonetheless reconsiders this approach on an annual basis.

Although STAR does not consider the PAIs within the meaning of Article 4(1)(a) of the SFDR identified by the PAI Regime (such as green-house gas emissions, board and senior management gender diversity, and number of work related accidents and / or injuries), STAR may choose to provide to its fund investors in annual reports and upon request reporting against similar or certain of the metrics.

3. Remuneration

STAR maintains a remuneration policy under which the criteria to determine the remuneration level of identified staff take into account relevant sustainability risk. Sustainability risk is treated in the same way as other risks which could cause a material negative impact on the value of a fund or portfolio. STAR pays staff a combination of fixed remuneration (salary and benefits) and variable remuneration (including bonus). Variable remuneration allocated to investment professionals reflects personal, team and firm performance. Compliance with all STAR's policies and procedures, including those relating to the impact of sustainability risks on the investment decision making process, shall be taken into account as part of that overall assessment.