

## Sustainable Finance

As a UK AIFM, Kite Lake Capital Management (UK) LLP ("**Kite Lake Capital**") is not subject to the EU's Sustainable Finance Disclosure Regulation ("**SFDR**"). However, in the interests of transparency the firm has elected to make these disclosures in the manner required by certain provisions of SFDR.

### **Integration of sustainability risks into the investment decision-making process**

The assessment and management of sustainability risks is fully integrated into Kite Lake Capital's investment decision-making and risk management processes, with sustainability risks assessed and managed by the firm's investment staff alongside other risks that may be identified as relevant to an investment. Because of the nature of the firm's investment strategies, sustainability risks are managed primarily at the level of individual investments.

Under SFDR, a "**sustainability risk**" is 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 an investment.

### **No consideration of adverse impacts on sustainability factors**

Kite Lake Capital does not currently consider the adverse impacts of investment decisions on sustainability factors in respect of any of its clients, as the investment policies of its clients do not generally involve the firm carrying out relevant analysis. The firm will keep the decision not to consider these principle adverse impacts under review.

Under SFDR, "**sustainability factors**" mean environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.