

SUSTAINABILITY-RELATED DISCLOSURE

SUMMARY

LFP OPPORTUNITY LOANS /DELFF SENIOR CORPORATE LOANS I

("the SUBFUND", LEI: 549300H6YB3N0MD1I915)

Issue by DELFF Management LTD (LEI: 213800EZYRTMPA3MBU95),

15th of March 2021

Responsible investment is a key priority for DELFF Management Ltd ("DELFF", "The Firm", "We"). DELFF believes that a responsible approach towards the sustainable funds it manages (*), its employees, suppliers and local communities, the environment and society is an essential part of its success.

The Firm has embedded consideration of ESG factors throughout all stages of its investment decision, and is fundamentally committed to building long-term, sustainable businesses, which will grow, provide employment, and generate economic benefit in an environmentally and socially responsible manner. We aim to invest in companies that take a responsible approach towards the environment, society, and corporate governance.

The three main areas of focus for responsible investment relate to the environmental and social impact of any business's activity, and the way a business is managed. Together, these factors are known as Environmental, Social and Corporate Governance ('ESG'). ESG processes and procedures focus on non-financial performance indicators that address a company's approach towards responsible investment, sustainability, its impact on society and the environment, as well as other ethical and corporate governance considerations.

The Management Company of the LFP OPPORTUNITY LOANS SICAV is a signatory of the UN Principles for Responsible Investment ('PRI'). Whereas Delff is not a signatory of the UN PRI, it adheres to them.

The Board of Directors of LFP OPPORTUNITY LOANS believes that for companies to achieve long-term sustainable value, they must be not only seek short term profitability but also implement a long term responsible approach towards the environment, society, and corporate governance



- ✓ Promote greater environmental responsibility
- ✓ Encourage development of environmentally friendly technologies
- ✓ Reducing CO₂ emissions and managing waste



- ✓ Elimination of all forms of forced and compulsory labour
- ✓ Backing labour rights and improving working conditions
- ✓ Elimination of discrimination in respect of employment



- ✓ Work against corruption in all its forms, including extortion and bribery
- ✓ Support and respect the protection of international proclaimed human rights

(*) ESG integration may differ for certain funds or Subfunds managed by DELFF

DELFF Management Ltd

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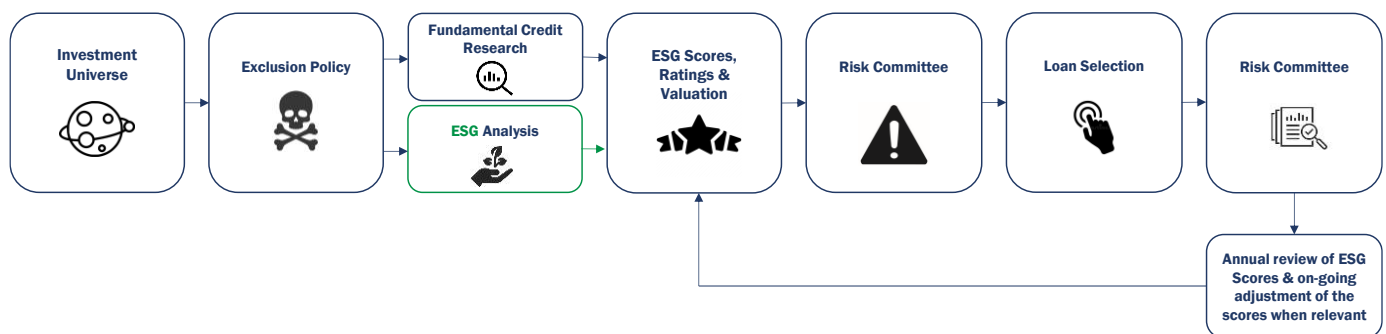
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The integration of ESG criteria in the Investment and risk monitoring process

- LFP Opportunity Loans / DELFF Senior Corporate Loans promotes environmental or social characteristics in accordance with Article 8 of the SFDR (EU) 2019/2088, and does not have a sustainable investment objective (Article 9).
- DELFF integrates extra-financial criteria into the Subfund's investment process and to do so, has embedded ESG risk as part of bottom-up fundamental analysis of the **Subfund**.
- Regular contacts with the borrowers (and their shareholders) in which the **Subfund** invests, is a salient feature of the asset class and at the heart of the Investment process.
- Delff has built a proprietary ESG rating model, which is sector specific with a thorough analysis done at the borrower level.
- A qualitative model to rate the shareholders has been developed to assess their adherence to ESG principles.
- The **Subfund** Risk Committee analyses all the risks of the portfolio including, as an example, credit risk, market risk, and any ESG related key risks or opportunities, as well as the ESG policies of the shareholders of the borrower.
- The process of monitoring ESG rules is a continuous and evolving process with a complete annual review of ESG internal scores, ensuring that the scores are up-to-date with each borrower's situation.

LFP OPPORTUNITY LOANS ESG Monitoring Process



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