

# Sustainability-related disclosures (Article 10 SFDR)

## Tyersall Real Assets Private Debt, SCSp

LEI: 254900LIVH4LZ6UNJK33

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# 1. Summary



## Introduction

The following disclosures are made pursuant to Article 10 of the Sustainable Finance Disclosure Regulation (the “SFDR”)<sup>1</sup>, as supplemented by the regulatory technical standards (“RTS”), in relation to Tyersall Real Assets Private Debt, SCSp (the “Fund” or “financial product”). The information in this document does not alter or supersede the Fund’s offering memorandum (as may be amended, replaced or supplemented from time to time), including relevant disclosures made in accordance with Articles 6-8 SFDR and Annex II of the RTS. The disclosures in the document are made by Muzinich & Co. (Ireland) Limited (the “AIFM”) and Muzinich & Co. Limited (“Muzinich”) and Orion3 Corporation Limited (“Orion3”) (together, the “Portfolio Managers” and together with the AIFM the “Fund Managers”).

The following terms (as defined in SFDR) are used in this disclosure:

“sustainable investment” means, (i) an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy; or (ii) an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations; or (iii) an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any environmental or social objective and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

“sustainability risk” means 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 the investment.

## No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment. This financial product does not commit to making any sustainable investments.

## Environmental or Social Characteristics of the Fund

This financial product promotes a combination of environmental and social characteristics by avoiding investing in companies, borrowers or assets (henceforth “assets”) which the Portfolio Managers consider to be fundamentally unsustainable (in accordance with the financial product’s and Muzinich’s exclusion criteria and by applying an ESG score). Moreover, the Portfolio Managers will invest in opportunistic debt financing and capital solutions for middle market infrastructure and other real asset lending situations where such assets are managed following good governance practices.

## Investment Strategy

This financial product will focus on opportunistic debt financing and capital solutions for middle market infrastructure and other real asset lending situations that require financing through senior secured debt, uni-tranche debt, second lien debt, mezzanine debt, convertible debt (including warrants), and/or preferred equity. The financial product’s exclusion criteria and ESG due diligence (using the ESG score methodology) are binding

<sup>1</sup> The SFDR or Regulation (EU) 2019/2088 is available online [https://eur-lex.europa.eu/eli/reg\\_del/2022/1288/oj](https://eur-lex.europa.eu/eli/reg_del/2022/1288/oj)

elements of the investment strategy and therefore have the potential to reduce the scope of investment opportunities.

### **Proportion of Investments**

The Portfolio Managers anticipate that this financial product will not exceed a 40% allocation to “Other” investments such as cash or cash equivalent holdings, money market instruments and certain hedging instruments including derivatives, to which the environmental and social characteristics of the product cannot be reasonably applied. The remainder of the portfolio will be invested in line with the environmental and social characteristics of the product. The financial product commits to allocating a minimum of 60% to assets which promote its environmental or social characteristics, and a maximum of 40% to “Other” investments.

### **Monitoring of Environmental or Social Characteristics**

Muzinich’s risk team, working alongside Muzinich’s deal team (the “**Deal Team**”), is responsible for monitoring the ESG profile of each asset. The Deal Team will conduct a full review of each asset’s ESG profile at least once a year, and/or as soon as any relevant information has been acquired by the Deal Team, and will revise the asset’s ESG score where appropriate to reflect any changes in the asset’s ESG profile. If there is a change to an asset’s ESG score, the Portfolio Managers will reconsider the position however as this product invests in an illiquid market, the Portfolio Managers cannot assure investors that they will be able to sell assets with ESG scores which fall below the stated thresholds within the lifetime of the investment.

### **Methodologies**

The ESG score is determined by Muzinich using its proprietary real assets ESG scorecard (“**ESG Scorecard**”). Industry exclusions are assessed using information gained directly from assets and public sources, to determine whether the asset exceeds the relevant revenue thresholds.

### **Data Sources and Processing**

As privately held companies typically disclose very little ESG information publicly, the Portfolio Managers source ESG data directly from companies and from parallel lending partners.

### **Limitations to Methodologies and Data**

There are various limitations to the methodologies and data used by the Portfolio Managers including relating to gaps in data, that data is inherently backwards looking, and that assumptions may be incorrect. The Fund Managers are mindful of these limitations and will take measures to overcome these limitations where possible (such as engaging with issuers and ESG data providers to enhance the provision of timely, robust and comparable ESG data and conducting scenario analysis to consider long-term sustainability concerns).

### **Due Diligence**

The Fund Managers are responsible for initial due diligence and ongoing monitoring of the holdings of the financial product. Initial due diligence includes exclusions screening, consideration of sustainability risks and ESG scoring.

### **Engagement Policies**

The Portfolio Managers may seek to improve a portfolio investment’s ESG score during the course of the investment process through engagement on a reasonable efforts basis.

### **Designated Reference Benchmark**

The financial product does not have a specific index designated as a reference benchmark.

For more information about the Fund Managers’ policies on sustainable and responsible investing, please visit:

[www.muzinich.com/about/responsible-investing](http://www.muzinich.com/about/responsible-investing). The Fund Managers' disclosures under SFDR are available online here: <https://www.muzinich.com/marketing/sfdr>.

## 2. No Sustainable Investment Objective



This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment. This financial product does not commit to making any sustainable investments.

## 3. Environmental or Social Characteristics of the Fund



This financial product promotes a combination of environmental and social characteristics by avoiding investing in companies, borrowers or assets which the Portfolio Managers consider to be fundamentally unsustainable (in accordance with the financial product's and Muzinich's exclusion criteria and by applying an ESG score). Moreover, the Portfolio Managers will invest in opportunistic debt financing and capital solutions for middle market infrastructure and other real asset lending situations where such assets are managed following good governance practices.

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by this financial product.

### Sustainability indicators

To measure, monitor and ensure the attainment of the environmental and social characteristics promoted by this financial product, the Portfolio Managers use the following sustainability indicators:

1. *Compliance with exclusion list*: whether the portfolio's assets comply with the financial product's and Muzinich's exclusion lists. For further details regarding the exclusion lists, please see the disclosure in section 4 below (investment strategy): "*Binding elements – Exclusion criteria*".
2. *ESG score*: the ESG score of portfolio assets. The ESG score will be applied to all portfolio assets. Muzinich applies specific minimum ESG score criteria at an individual asset-level and at portfolio-level which are summarized below in section 4 (investment strategy): "*Binding elements – ESG score*".

## 4. Investment Strategy



### Investment strategy

This financial product will focus on opportunistic debt financing and capital solutions for middle market infrastructure and other real asset lending situations that require financing through senior secured debt, uni-tranche debt, second lien debt, mezzanine debt, convertible debt (including warrants), and/or preferred equity.

The financial product's exclusion criteria and ESG due diligence (using the ESG score methodology) are binding elements of the investment strategy and therefore have the potential to reduce the scope of investment opportunities.

In addition to the binding elements noted below, the Portfolio Managers may also, as part of the investment strategy, seek to improve a portfolio investment's ESG score during the course of the investment process through engagement on a reasonable efforts basis. Further details of Muzinich's approach to engagement can be found in the Responsible Investment Policy (a copy of which is available at <https://www.muzinich.com/about/responsible-investing>).

### **Binding elements**

Exclusion criteria: In accordance with the financial product's constitutional documents and Muzinich's policies, the financial product will not invest in any asset that Muzinich deems to have breached, or to be at severe risk of breaching, certain recognized norms and/or international standards relating to respect for human rights, labor relations, protection from severe environmental harm, and fraud and/or gross corruption standards and will not invest in, or otherwise guarantee or provide financial support to, any entity that derives more than 10% of its revenues from:

- i. gambling operations;
- ii. pornography;
- iii. weapons; or
- iv. tobacco products.

This financial product may invest in, or otherwise guarantee or provide financial support to, any entity that derives more than 10% of its revenues from thermal coal (energy production or extraction) only if the relevant underlying investment is reasonably designed to assist the relevant entity in reducing the percentage of its revenue derived from thermal coal.

As this financial product invests in an illiquid market, the Portfolio Managers cannot assure investors that they will be able to reverse passive breaches of their exclusion criteria within the lifetime of the investment.

ESG score: Muzinich will determine an ESG score for each asset within the financial product to ensure the following:

- i. All of the financial product's portfolio investments have an ESG score of at least 9 out of 50 at the time of acquisition.
- ii. At any one time, the total acquisition cost of the financial product's portfolio investments with an ESG score of less than 18/50 at the time of acquisition does not exceed 10% of its Total Fund Commitments.

The ESG score is determined by Muzinich using its ESG Scorecard which comprises the following ESG criteria, to which are applied a proprietary weighting system:

1. Overall management/operation or use of asset
  - a. Good governance including adequate skills and oversight
  - b. ESG transparency and accountability

- c. Anti-bribery and corruption
- 2. Environmental criteria
  - a. Biodiversity impacts including land artificialization
  - b. Climate change considerations
    - i. Overall carbon emissions
    - ii. Carbon intensity
    - iii. Energy intensity and sources
  - c. Physical waste
  - d. Pollution
  - e. Water use and water efficiency
- 3. Social criteria
  - a. Respect and support for local communities including employment
  - b. Positive net impacts on stakeholder health, safety and wellbeing
  - c. Other societal impacts including education opportunities
- 4. Additional/other criteria
  - a. Presence of existing third party ESG due diligence materials

For each ESG factor, a borrower is assigned a score of zero to five, giving a potential combined score of 50 of 50. The ESG Scorecard includes further breakdown of good practices, possible policies and procedures to identify robust ESG risk management, underlying ESG metrics to consider and other factors to guide the Deal Team in scoring each asset. Further details on the scoring methodology are available to investors and results of the annual scoring updates are presented to investors in annual fund reviews.

Assessment of the ESG credentials of the assets includes building an understanding of their internal ESG policies, governance, procedures and resourcing; evidence of dedicated corporate responsibility or ESG staff; routine and comprehensive ESG reporting to external stakeholders; evidence of relevant ESG codes of conduct including anti-bribery and corruption policies among other factors.

Monitoring: Muzinich's risk team (the "**Risk Team**"), working alongside the Deal Team, is responsible for monitoring the ESG profile of each asset. The Deal Team will conduct a full review of each asset's ESG profile at least once a year, and/or as soon as any relevant information has been acquired by the Deal Team, and will revise the asset's ESG score where appropriate to reflect any changes in the asset's ESG profile. If there is a change to an asset's ESG score, the Portfolio Managers will reconsider the position however as this product invests in an illiquid market, the Portfolio Managers cannot assure investors that they will be able to sell assets with ESG scores which fall below the stated thresholds within the lifetime of the investment.

**Policy to assess good governance practices of investee companies**

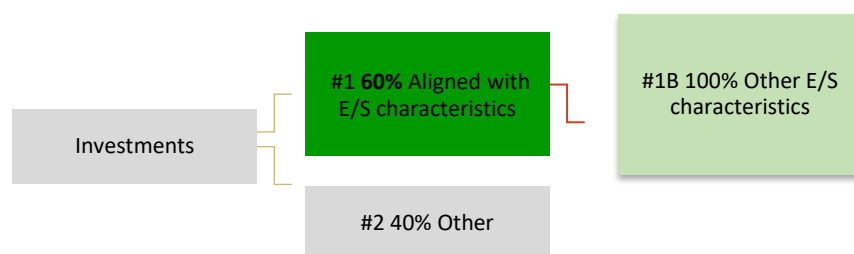
The Portfolio Managers will assess, among other factors, management structures, employee relations, remuneration of staff and tax compliance. Specifically, the Portfolio Managers expect borrowers to demonstrate good governance practices through their alignment with international frameworks such as the International Corporate Governance Network Principles, the UN Global Compact Principles, and national governance standards. The Deal Team will benchmark a borrower's alignment with those frameworks based on its review of various factors as outlined in the Responsible Investment Policy.

## 5. Proportion of Investments



### Asset allocation

The Portfolio Managers anticipate that this financial product will not exceed a 40% allocation to “Other” investments such as cash or cash equivalent holdings, money market instruments and certain hedging instruments including derivatives, to which the environmental and social characteristics of the product cannot be reasonably applied. The remainder of the portfolio will be invested in line with the environmental and social characteristics of the product. The financial product commits to allocating a minimum of 60% to assets which promote its environmental or social characteristics, and a maximum of 40% to “Other” investments.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

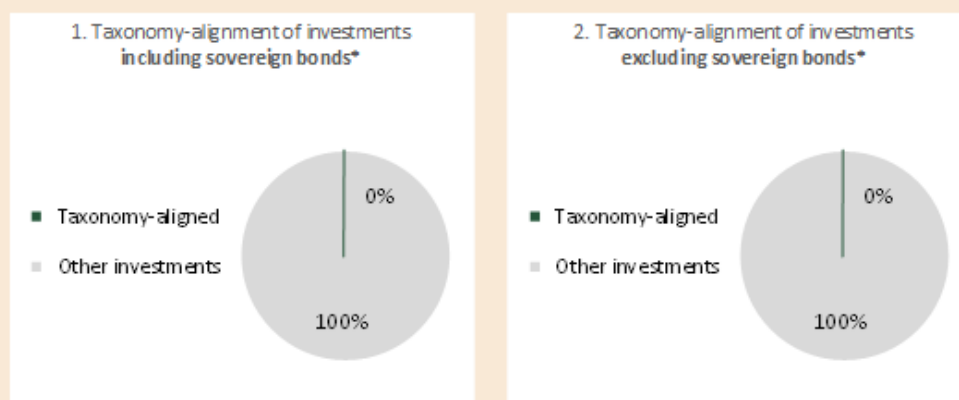
### Use of derivatives

The financial product will not enter into derivative contracts other than: (i) for hedging purposes; (ii) any option where the counterparty is a portfolio company or one of its affiliates, or (iii) any option where the underlying asset is an instrument issued by a portfolio company. For the avoidance of doubt, warrants will not be considered derivatives for the purposes of this paragraph. In the event that the financial product uses derivatives, these holdings will not be used to attain the environmental and social characteristics promoted by the financial product.

### Minimum share of sustainable investments with an environmental objective aligned with the EU Taxonomy

The financial product does not currently commit to invest in sustainable investments. It is nevertheless possible that this financial product may incidentally make sustainable investments which contribute to climate change mitigation and which are considered aligned with the EU Taxonomy. However, there is no minimum extent to which sustainable investments with an environmental objective will be aligned with the EU Taxonomy. Details of the investments made by the financial product (and their extent of Taxonomy-alignment, if any) will be included in its annual report.

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



*\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

#### **Minimum share of investments in transitional and enabling activities**

The financial product has not committed to a minimum share of investments in transitional activities and it does not commit to a minimum share in enabling activities. However, the financial product expects to seek exposure to investments in transitional activities and details of these investments will be included in its annual report.

#### **Minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy**

The financial product has not committed to making sustainable investments with an environmental objective that are not aligned with the EU Taxonomy and therefore the minimum share of such investments is 0%.

#### **Minimum share of socially sustainable investments**

The financial product has not committed to making socially sustainable investments and therefore the minimum share of such investments is 0%.

#### **Investments included under '#2 Other'**

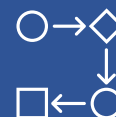
The investments included under "#2 Other" represent cash and cash equivalents, money market instruments and certain hedging instruments including derivatives. The Deal Team believes that those holdings do not relate directly to a specific issuer and therefore do not relate to the environmental or social characteristics of this financial product, or to the management of sustainability risks and/or principal adverse sustainability impacts. The Deal Team therefore does not believe that it would be possible to make a reasonable determination regarding considerations relating to minimum environmental or social safeguards, in part due to the lack of relevant data relating to such instruments.

## 6. Monitoring of Environmental or Social Characteristics



The Risk Team, working alongside the Deal Team, is responsible for monitoring the ESG profile of each asset. The Deal Team will conduct a full review of each asset's ESG profile at least once a year, and/or as soon as any relevant information has been acquired by the Deal Team, and will revise the asset's ESG score where appropriate to reflect any changes in the asset's ESG profile. If there is a change to an asset's ESG score, the Portfolio Managers will reconsider the position however as this product invests in an illiquid market, the Portfolio Managers cannot assure investors that they will be able to sell assets with ESG scores which fall below the stated thresholds within the lifetime of the investment.

## 7. Methodologies



### ESG scoring methodology

The ESG score is determined by Muzinich's ESG Scorecard, which comprises the ESG factors described above in section 4 (investment strategy).

### Industry exclusions methodology

The Portfolio Managers assess potential investments to determine whether they derive revenues from involvement in excluded sectors or industries (as listed above in section 4 (investment strategy) – "*Binding elements – Exclusion criteria*"). Information for this assessment is typically gained directly from potential assets, private equity firms which may be the beneficial owners of those assets, or from public sources where available. Companies with revenues exceeding revenue thresholds of involvement in excluded sectors will not be eligible for investment.

### Corporate conduct and controversy screening methodology

Information on controversial conduct and poor governance practices is gathered as part of the Portfolio Managers' due diligence process, which may include reviews of publicly available news and other information, third party due diligence reports where available, and engagements with potential investments.

Further details of the ESG scoring methodology, industry exclusions methodology and corporate conduct and controversy screening methodology is available in the Responsible Investment Policy (a copy of which is available here: <https://static.muzinich.com/docs/Muzinich-Responsible-Investment-Policy.pdf>).

## 8. Data Sources and Processing



The Deal Team gathers financial and non-financial information on potential investments as part of their standard due diligence process. This includes information gained directly from potential assets and private equity firms which may be the beneficial owners of those assets. The Portfolio Managers may also source data from government and non-governmental organizations, academic sources, and other publicly available sources to fill any gaps.

The Portfolio Managers note that a significant proportion of such data may be modelled or estimated due to factors including gaps in corporate reporting and the need to extrapolate certain data points where required data is not readily available. The Fund Managers recognize the need to decrease the use of estimated data and will frequently engage investee assets to improve the quality of the ESG data used. As the use of such data will vary on a case-by-case basis, it is not possible to provide a proportion of estimated data.

## 9. Limitations to Methodologies and Data



In considering factors related to sustainability, the Fund Managers must rely on imperfect information provided by issuers and third-party sources, which may include modelled or estimated data. This challenge is particularly acute when investing in real assets. Muzinich has developed – and the Fund Managers will apply – Muzinich’s ESG Scorecard, which is largely based on qualitative assessments. The scores reflected on the ESG Scorecard are inherently subjective.

Regardless, the limitations described above do not impact on how the environmental or social characteristics promoted by the financial product are met. This is because minimum score requirements are still applied to investments (as described above in section 4 (investment strategy): “*Binding elements – ESG score*”).

## 10. Due Diligence



The Fund Managers’ due diligence procedures encompass the following:

### Initial due diligence:

- *Exclusions screening*: The Portfolio Managers will screen investments for compliance with the industry exclusions criteria (as described above in section 4 (investment strategy): “*Binding elements – Exclusion criteria*” and in section 7 (methodologies): “*industry exclusion methodology*”).
- *Consideration of sustainability risks*: The Portfolio Managers integrate ESG into their investment decision-making process to identify sustainability risks. The analysts are not required to consider a prescriptive or exhaustive list of ESG factors when conducting ESG analysis or creating ESG scores. Instead, they aim to identify the issues which they consider to be most material depending on an individual asset’s regional, sectoral, jurisdictional, social and environmental context. There are, however, certain ESG factors which may exacerbate the potential for a sustainability risk to materialize. These factors may be specific to certain industries or applicable to several sectors.
- *ESG scoring*: Muzinich will score investments in accordance with its ESG Scorecard (as described above in section 4 (investment strategy): “*Binding elements – ESG score*” and in section 7 (methodologies): “*ESG scoring methodology*”).

Further details of the due diligence procedures outlined above can be found in the Responsible Investment Policy (a copy of which is available here: <https://static.muzinich.com/docs/Muzinich-Responsible-Investment-Policy.pdf>).

**Ongoing due diligence:** As described above in section 6 (monitoring of environmental and social characteristics), the Fund Managers, supported by Muzinich’s ESG Integration group and risk teams, are responsible for ongoing due diligence of the Fund’s holdings. The Fund Managers believe their approach to ESG due diligence is robust and

can be evidenced by the low rate of breaches of the Responsible Investment Policy across the Fund Managers' range of funds.

## 11. Engagement Policies



Muzinich believes engagement with assets and/or firms which may be the beneficial owners of those assets, with the aim of improving ESG management, forms a critical part of the investment process and is generally a more powerful tool than outright divestment from an entity, except on occasions where specific industry or conduct exclusions apply. Muzinich may therefore engage with certain assets, on a reasonable efforts basis, with the aim of improving ESG management over time. However, there is no guarantee with respect to outcomes that may be achieved as a result of this engagement.

As real assets debt investors, the Portfolio Managers do not typically hold rights to vote on an asset's uses or management practices. Nevertheless, as a lender of capital for real estate and infrastructure assets, Muzinich as a Portfolio Manager can express opinions about and exert a certain amount of influence over the assets and/or firms which may be the beneficial owners of those assets to which it lends. Muzinich is committed to the following:

- using engagement as a key responsible investment tool to manage material ESG risks relating to the companies and assets in which it invests;
- transparency around Muzinich's engagement procedures, its priority engagement themes, and information about the progress of Muzinich's engagement activities including data and case studies;
- engaging with public policy makers as the primary drivers of sustainability-related policy for both corporates, and financial market participants;
- engaging investors to educate and better understand their requirements relating to ESG; and
- where the option exists, to exercising voting rights in favour of corporate ESG initiatives, actions and governance structures which are in the best interests of investee entities.

The Deal Team is responsible for engaging assets within their research coverage with support from Muzinich's ESG team. Engagement activity is either driven by bottom-up factors relating to the specific circumstances of an individual asset, or by top-down themes such as climate change, impacts on biodiversity, or diversity and inclusion issues. Most commonly, Muzinich's analysts engage assets to seek better transparency around a specific ESG issue (such as potential sustainability risks) to support better decision making. Ensuring ESG topics are discussed in meetings with borrowers also raises awareness of these topics.

Muzinich typically prioritizes engagements based on criteria such as: severity of the ESG issue or potential sustainability risk, investment exposure, exposure to one of Muzinich's priority ESG themes, Muzinich's access to management, and Muzinich's expectations of a successful outcome. Muzinich believes it is critical to be targeted with engagement activity as resource constraints will limit the effectiveness of Muzinich's interactions with a borrower. Muzinich typically finds opportunities to engage assets during bilateral meetings or phone calls with those assets, discussions with intermediaries or underwriters, and during investor events or company road shows.

Where Muzinich perceives poor management of ESG risks, or exposures to sustainability risk, or a lack of transparency, Muzinich may provide feedback directly to the asset and occasionally via intermediaries, particularly when choosing not to participate in an investment opportunity on ESG grounds. Findings from Muzinich's engagements support the Portfolio Managers' ongoing monitoring, and Muzinich's research on an issuer and are

fed back into Muzinich’s ESG scores and research templates to be shared with the wider investment team and the other Fund Managers.

While every engagement will take a slightly different course, a typical escalation process for one of Muzinich’s engagements may run as follows:

- Muzinich identifies or learns of an ESG issue that is specific to one asset (such as a potential sustainability risk) or identifies an asset with high levels of exposure to one of Muzinich’s priority ESG themes (e.g., climate change or biodiversity).
- An analyst (alongside Muzinich’s ESG team) will research the ESG issue, past impacts or potential risks relating to the target asset, and possible solutions.
- The analyst contacts the asset to start an initial engagement and gather further details of the ESG issue with the target asset.
- During one or more follow-up meetings the analysts may set specific KPIs for the target asset (e.g., publishing a target to reduce carbon emissions).
- The analyst will review progress (e.g., against the KPIs) to determine next steps and feedback their research to the investment team.

## 12. Designated Reference Benchmark



The financial product does not have a specific index designated as a reference benchmark.

The Portfolio Managers note that the financial product invests in privately held real assets including, but not limited to, real estate, and that, to the best of the Portfolio Managers’ knowledge, there does not currently exist an appropriate financial index by which to determine whether the financial product is aligned with the environmental and/or social characteristics that it promotes.

Version number	File name	Date
V.1	<b>Tyersall Real Assets Private Debt - Sustainability-related disclosures (Article 10 SFDR) (29 August 2024)</b>	<b>29 August 2024</b>

**FOR PROFESSIONAL CLIENT AND QUALIFIED/ACCREDITED INVESTOR USE ONLY.**

**Risk warnings:** Alternative investments can be speculative and are not suitable for all investors. Investing in alternative investments is only intended for experienced and sophisticated investors who are willing and able to bear the high economic risks associated with such an investment. Investors should carefully review and consider potential risks before investing. Certain of these risks include: (a) Loss of all or a substantial portion of the investment; (b) Lack of liquidity in that there may be no secondary market for interests in the Fund; (c) Volatility of returns; (d) Restrictions on transferring interests; and (e) Potential lack of diversification and resulting higher risk due to concentration within one or more sectors, industries, countries or regions.

Consideration of Sustainability Risks in the investment process may result in the avoidance or exclusion of certain securities. Therefore, results may differ, and the investment might underperform a portfolio that does not consider such risks.

Muzinich & Co. referenced herein is defined as Muzinich & Co., Inc. and its affiliates. This material has been produced for information purposes only and as such the views contained herein are not to be taken as investment advice. Opinions are as of date of publication and are subject to change without reference or notification to you. Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy. The value of investments and the income from them may fall as well as rise and is not guaranteed and investors may not get back the full amount invested. Rates of exchange may cause the value of investments to rise or fall. Emerging Markets may be more risky than more developed markets for a variety of reasons, including but not limited to, increased political, social and economic instability; heightened pricing volatility and reduced market liquidity.

Any research in this document has been obtained and may have been acted on by Muzinich & Co. for its own purpose. The results of such research are being made available for information purposes and no assurances are made as to their accuracy. Opinions and statements of financial market trends that are based on market conditions constitute our judgment and this judgment may prove to be wrong. The views and opinions expressed should not be construed as an offer to buy or sell or invitation to engage in any investment activity, they are for information purposes only.

Investors must obtain and carefully read the related private placement memorandum or prospectus (the "Offering Memorandum"), which contains the information needed to evaluate the potential investment and provides important disclosures regarding risks, fees and expenses. All information provided herein is qualified in its entirety by the Offering Memorandum and other related documents. You acknowledge these materials do not provide sufficient basis for a decision to invest. Before making a decision to invest, a prospective investor should carefully review information respecting Muzinich & Co. and such investment and consult with its own legal, accounting, tax and other advisors in order to independently assess the merits of such an investment as nothing in these materials should be construed as a product recommendation or as investment, legal, or tax advice.

By accepting this material, the recipient (i) acknowledges that the information contained herein is confidential and intended solely for the intended recipients and their authorized agents and may not be disclosed or distributed to any other person in any fashion without the prior written consent of Muzinich & Co., (ii) agrees not to use the information contained herein for any purpose other than to evaluate a potential investment in any product described herein, and (iii) shall be deemed to have agreed to the following: The material in this presentation is directed only at entities or persons in jurisdictions or countries where access to and use of this information is not contrary to local laws or regulations. Any products or service may not be licensed in all jurisdictions and these materials do not constitute an offer or solicitation to sell or a solicitation of an offer to buy any product or service (nor shall any product or service be offered or sold to any person) in any jurisdiction in which an offer, solicitation, purchase or sale would be unlawful under the securities law of that jurisdiction. No regulator or government authority has reviewed this document or the merits of the products and services referenced herein.

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