

SFDR Entity-Level Disclosures

September 2023



TOWERBROOK CAPITAL PARTNERS L.P.
SUSTAINABILITY-RELATED DISCLOSURES

Updated September 2023

Transparency on sustainability risk policies (Article 3)

Regulation (EU) 2019/2088 (“SFDR”) defines “sustainability risk” as ESG events or conditions that, if they occur, could cause a negative material impact on the value of the investment.

TowerBrook Capital Partners L.P. (“TowerBrook”) integrates sustainability risks in its investment decision-making process and has a well-established process to integrate Responsible Ownership into its investment, ownership and exit phases.

During the investment phase, TowerBrook focuses on the risks to be addressed in relation to each portfolio company or other investment and on its prospective handprint as responsible owners of the business. TowerBrook conducts due diligence related to the portfolio company’s industry and its specific risk profile, as applicable. If the diligence process identifies material environmental, social and governance (“ESG”) issues, TowerBrook’s Transaction Committee evaluates whether such issues can be managed, remediated or mitigated in a responsible manner.

During the ownership phase, TowerBrook develops a 200-day Plan for each portfolio company or other investment, which may include relevant Responsible Ownership policies and procedures to implement such policies and monitor their effectiveness. TowerBrook seeks to partner with the management teams of portfolio companies to align on the strategy for value creation, agree on clear objectives and deliverables and set appropriate metrics to measure progress.

Prior to exit, TowerBrook examines its efforts as responsible owners to translate certain actions taken into value. TowerBrook endeavours to address outstanding matters and disclose material issues to prospective purchasers. The identification and assessments of sustainability risks will take place on an investment-by-investment basis in accordance with the above process, considering fiduciary duties and other regulatory, legal and contractual obligations. As a result of following this process, TowerBrook does not anticipate that sustainability risks will have a material negative impact on returns, although there can be no guarantee that TowerBrook’s processes will successfully identify and mitigate all material risks.

No consideration of adverse impacts of investment decisions on sustainability factors (Article 4)

While TowerBrook will continue to take into account ESG factors in its investment process, it does not consider adverse impacts of investment decisions on sustainability factors as specifically set out in the SFDR. TowerBrook has chosen not to do so for the present time as it considers its existing due diligence process and Responsible Ownership framework to be appropriate and proportional to the investment strategies of its funds. TowerBrook continues to monitor regulatory developments with respect to the SFDR and other applicable ESG-

focused laws and regulations, including the implementation of related and secondary legislation and regulatory guidance and will, where required or otherwise appropriate, make changes to its existing policies and procedures.