

Explanation of non-compliance with SFDR's principal adverse impacts regime

No consideration of adverse impacts of investment decisions on sustainability factors, and no consideration of adverse impacts of investment advice on sustainability factors.

This document sets out disclosures by Apollo Investment Management Europe (Luxembourg) S.a r.l. (the “**Firm**”), a subsidiary of Apollo Global Management, Inc. (together with the Firm and its other subsidiaries, “**Apollo**”), in respect of the principal adverse impacts of investment decisions on sustainability factors.

The EU Sustainable Finance Disclosure Regulation (“**SFDR**”) requires the Firm to make a “comply or explain” decision whether to consider the principal adverse impacts (“**PAIs**”) of investment decisions on sustainability factors in our investment advice or our investment decision-making processes, in accordance with a specific regime as outlined in SFDR. The Firm has decided not to comply with the SFDR regime. The Firm is therefore required to publish and maintain on our website a statement to explain our reasons for not complying with the PAI regime in SFDR, and information as to whether and when we intend to comply with such regime.

The Firm has carefully evaluated the requirements of the PAI regime in Article 4 SFDR, and in the draft Regulatory Technical Standards which were published in February 2021 (the “**PAI regime**”).

Apollo is supportive of the policy aims of the PAI regime, to improve transparency to clients, investors and the market, as to how financial market participants and financial advisers integrate consideration of the adverse impacts of investment decisions on sustainability factors. However, taking account of the nature and scale of our activities and the types of products we make available, Apollo considers that it would be disproportionate to comply with the specific regime in the SFDR.

The Firm will keep its decision not to comply with the PAI regime under regular review, and will formally re-evaluate the decision from time to time.

Notwithstanding the Firm's decision not to comply with the PAI regime, Apollo wishes to re-affirm our overall commitment to environment, social and governance (“**ESG**”) matters. We summarise in the Responsibility section of the Apollo website, [here](#), the positive ESG-related initiatives and policies adopted by the firm. For the avoidance of doubt, none of the following information is intended to suggest that the Firm complies with the PAI regime.