

Environmental, Social and Governance Policy

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1. Introduction

CVC Credit provides investment advisory services to investment vehicles, including collateralized loan obligations and collateral debt obligations (collectively, “**CLOs**”), other collective investment vehicles (“**Managed Funds**”), and separately managed accounts for institutional investors on a discretionary and non-discretionary basis (“**Managed Accounts**”), and together with CLOs and Managed Funds, (“**Clients**”).

CVC Credit Partners’ (“**CVC Credit**” or the “**Firm**”)¹ investment objective is to serve our Clients’ interests by maximizing total investment returns while managing portfolio risk. CVC Credit believes that Environmental, Social and Governance (“**ESG**”) risks and opportunities (“**ESG Considerations**”) may impact the long-term value of the investments made by the Firm and ultimately the value returned to investors and as such, believe that the consideration of material ESG Considerations in the investment process is consistent with the Firm’s investment objective.

CVC Credit recognizes and acknowledges that Clients and their underlying investors may have very specific and stringent ESG mandates. As such, the Firm seeks to work with its Clients to agree to portfolio mandates reflecting their specific ESG investment guidelines and restrictions as part of the investment management services we provide.

¹ CVC Credit Partners is comprised of the following entities: CVC Credit Partners, LLC, CVC Credit Partners Investment Management Limited, CVC Credit Partners European Investment Fund Manager Limited, CVC Credit Partners European Mid-Market Solutions General Partner Limited, CVC Credit Partners European CLO Management LLP, and CVC Credit Partners U.S. CLO Management LLC.

2. Guiding Principles

CVC Credit supports the Sustainability Account Standards Board's ("**SASB**") definition of financially material issues which are those, "**ESG** issues that are reasonably likely to impact the financial condition or operating performance of a company and therefore are most important to investors²".

This ESG Policy ("**Policy**") outlines the Firm's approach to integrating the evaluation of material ESG Considerations into the investment process. The Firm recognizes the importance of the United Nations backed Principles for Responsible Investment ("**PRI**") in shaping ESG practices and defining ESG principles for financial services participants. As such, the Firm is a signatory to the PRI and continually strives to develop and implement this Policy to address and integrate PRI's six responsible investment principles.

In putting this Policy into practice, the following issues are examples of the potentially material ESG Considerations the Firm takes into account throughout the investment process: environmental factors, including climate change risk and water use; social factors, including workplace harassment, focus on Diversity, Equity & Inclusion ("**DEI**"), health and safety practices and supply chain transparency; and governance factors, including transparency and disclosure, compliance with applicable laws and oversight bodies such as OSHA, EPA and the SEC.

² <https://www.sasb.org/standards-overview/materiality-map/>

3. Scope

This Policy applies to all investments across all strategies and asset classes considered or made by CVC Credit subject to the limitations outlined in this Policy as well as the Client's legal binding documents.

Material ESG Considerations are evaluated when reviewing an investment opportunity and throughout the lifecycle of an investment to the extent reasonably practicable under the circumstances, subject to limitations of the information received by the Firm.

The Firm's evaluation of ESG Considerations is expected to vary as a result of certain factors bespoke to each investment, including, among others, the level of control and influence, investment approach (e.g., directly or through a syndicate), and engagement activities related to an investment (e.g., observational rights on an issuer's Board) the Firm is able to undertake. The Firm expects to continue to make investments in situations where it has limited or no ability to evaluate or manage ESG Considerations. In such circumstances CVC Credit will employ reasonable efforts to engage on ESG as may be appropriate throughout the lifecycle of such investment and will be mindful of material ESG Considerations that arise as part of the portfolio monitoring process.

4. ESG Management

It is the responsibility of the Firm's Executive Committee in conjunction with the ESG Working Group and the Compliance Team to provide oversight of this Policy and to ensure that the Policy is properly applied. The Firm relies on its Investment Teams to apply and implement the Policy to ensure that material ESG Considerations are appropriately assessed and mitigated when applicable.

The Executive Committee will ensure that the Policy is reviewed annually as stated in section 7 and updated as necessary, and that ESG-specific training is conducted on a periodic basis for all employees. The Compliance Team will ensure that this policy and training on the Policy is available to all new Investment Professionals upon hire and upon any material update thereafter.

5. Approach to ESG Integration

CVC Credit seeks to integrate the evaluation and proactive management of ESG Considerations throughout its investment processes, subject to the limitations outlined in this Policy.

Review of Opportunities:

Investment Selection: During the initial review of an investment opportunity, the Firm's investment analysts ("**Investment Analysts**") evaluate the suitability of each potential investment. As an integral part of this due diligence process, Investment Analysts consider material ESG Considerations which, where relevant, includes the use of ESG questionnaires ("**ESG Questionnaires**") to gather data related to common better understand whether ESG Considerations³ are likely to be material for that potential investment. Further, Investment Analysts may utilize information gathered from third-party data providers to assist with the initial identification and review of material ESG Considerations.

Investment Committee Process: ESG Considerations that are sufficiently material are referenced in the investment committee memo. Such memos may also include a review of environmental and social reports, of the issuers ESG policy and website disclosures, site visits, management interviews, and discussions with key stakeholders noted during the diligence process when appropriate. Material ESG Considerations are reviewed internally by the respective Investment Committee, and as needed, the appropriate course of action related to a material ESG Consideration will be cooperatively determined by such Committee.

Documentation and Reporting:

Investment Analysts review and include commentary on material ESG Considerations as part of their regular portfolio monitoring reports that are submitted to the relevant Investment Committee. As part of such reports, Investment Analysts may include an on-going assessment of materiality and whether such ESG Considerations continue to align with the Firm's approach towards ESG.

In the event a material ESG Consideration is identified during the Firm's investment management process, such issue is communicated to the relevant Investment Committee, and any action item, if practicable, will be managed by the relevant party

³ The Firm may utilize any or all of the following frameworks (i) SASB's materiality map; (ii) CDC ESG Toolkit Sector Profiles; (iii) TCFD Framework; and (iv) IFC Performance Standards to help identify common material ESG Considerations for specific sectors/ industries.

6. CVC Credit's Commitment to Operate Responsibly

CVC Credit is part of the broader CVC Network, which strives to embed effective ESG practices in its own operations as well as in its investment activities. Therefore, CVC Credit commits to:

- **Supporting ethical behaviours in its activities.** All CVC employees are subject to, and receive training on key policies, including CVC's Code of Ethics. All employees are required to acknowledge they have received, read and understood and agree to comply with CVC policies upon joining and on a quarterly basis.
- **Investing in local communities.** CVC supports venture philanthropy charities that focus on helping young people and disenfranchised members of society integrate themselves into society. Venture philanthropy combines pro bono expertise with capital to an agreed business plan and therefore has close affinity to the private equity community.
- **Promoting diversity in the workplace.** CVC is an equal opportunities employer and we respect the diversity of our people. Our aim is to attract, motivate, develop, and retain a diverse talented group of people who make informed career and life style choices within a supportive working environment.
- **Considering its own environmental footprint.** CVC has formalised its approach to reducing its own environmental footprint through the creation of a pan-office employee working group to share best practice, promote awareness and support implementation of environmental initiatives .

7. Governance of this Policy

As noted in Section 3 of this Policy, the Executive Committee, with assistance from the ESG Working Group and the Compliance Team, will review and, where necessary, update the ESG Policy annually to reflect ongoing efforts to improve its ESG approach, as well as emerging requirements from stakeholders and evolving good practices.

CVC Credit will actively communicate the ESG Policy to investment teams and will use the ESG Policy as a basis to engage internal and external stakeholders on ESG management, as appropriate.