CREDIT FINANCE UK LIMITED
Creating Wealth & Opportunity

CREDIT FINANCE CREDIT AND REAL ESTATE FUNDS ESG POLICY

Credit Finance's mission is to deliver superior risk-adjusted returns to its investors across the globe. Credit manages its investment funds and accounts through entities that are registered as investment advisers under the Investment Advisers Act of 1940 (the "Advisers Act") and through entities that operate under a single set of policies and procedures that are designed to comply with the requirements of the Advisers Act. Each such entity is a statutory fiduciary under the Advisers Act. In this fiduciary role, we recognize that environmental, social, and corporate governance (ESG) issues can affect the performance of our investment portfolios (to varying degrees across companies, sectors, regions, asset classes and through time). Accordingly, Credit Finance' regularly assesses such factors as part of its investment process in a manner consistent with Credit Finance's fiduciary obligations to its investors under the Advisers Act.

Overview: ESG issues present regulatory, market, reputational and operational risks and opportunities that should be considered when analyzing the prospective returns of an investment. We believe that long-term value may be enhanced if we assess relevant ESG risks and help our investee companies identify appropriate areas for improving ESG matters. The purpose of this policy is to outline how Credit Finance incorporates ESG issues into the investment and asset management processes across asset classes in its mandate.

In evaluating an existing or prospective investment, Credit Finance investment professionals may generally seek to (a) identify material ESG issues that may affect the investment, (b) analyze the relative importance of, and risk posed by, any such identified ESG issue, (c) consider the costs and benefits of potential remedial measures, and (d) assess Credit Finance's ability to influence change in the context of overall investment performance. Based on the foregoing analysis, Credit Finance may seek to foster change in some circumstances or to forego investments in others. Because Credit Finance is a global investment manager, it invests on behalf of clients in a wide range of asset classes, including distressed debt, asset-backed securities, orphaned assets, corporate debt, convertible securities, real estate and listed equities. However, our ability to assess and influence ESG issues in practice will vary significantly by strategy and investment. Strategies where we have access to full due diligence and where we obtain majority equity ownership or control may allow us to better detect and address ESG issues relative to strategies where we may be limited to publicly available information or have a non-controlling investment. In addition, because Credit Finance primary investment focus is the generation of superior risk-adjusted returns, we may make or maintain investments even in the face of ESG issues as we deem appropriate for our investors.

This policy is informed by principles that are principally consistent with those set forth in the U.N. Principles for Responsible Investment (the "UN PRI"). Our goal is to apply the fundamental principles of the UN PRI in the context of Fortress' investment strategies and taking into account our mission.

Specific ESG guidelines

1. In considering a potential investment, the responsible investment professionals may conduct a high-level assessment of the investment's ESG profile. A high-level assessment of a potential investment's ESG profile is not expected to involve a formal process or documentation, but rather a general review of material factors that may be relevant to ESG risk. Investment professionals should use their best judgment in identifying such issues and are encouraged to consult with their colleagues and the Credit Finance Legal and Compliance Department if they have questions or concerns. A descriptive list of relevant ESG considerations is set forth below, although investment professionals are encouraged to use their judgment and think analytically about ESG issues and not be limited to a checklist of particular items:

A. Environmental Issues. These issues include a company's profile with respect to CO2 emission and climate change, waste generation and mitigation practices, utilization of renewable fuels, commitment to resource conservation, energy efficiency and chemical safety.

B. Social Issues. These issues include a company's profile with respect to compliance with applicable law and regulation relating to bribery, political contributions, money laundering, equal employment and labor laws (including child labor), fair compensation, worker health and safety, terrorism and combat weapons.

C. Governance Issues. These issues include a company's profile with respect to transparency, internal controls, risk management, executive compensation, shareholder rights, accounting techniques, independent oversight, conflicts of interest and legal and regulatory compliance.

2. Additional ESG due diligence on a potential investment may be undertaken based on an investment professional's high-level assessment of the investment's ESG profile and the nature of the investment. The level of ESG risk may guide the amount of ESG due diligence to be undertaken with respect to a proposed investment. Low risk investments may not require much, if any, ESG-related due diligence. ESG due diligence for medium risk and high risk investments may be tailored to the materiality of perceived ESG-related risk and may also reflect the nature of the proposed investment. For example, if the company is listed on a U.S. securities exchange, it may be sufficient, in the determination of the relevant investment professional, to review the relevant disclosures in the company's public filings. If the company is private, more extensive ESG diligence may be conducted. The scope of inquiry will be guided by the particular circumstances of our proposed investment. For instance, we would generally expect to undertake more due diligence when we expect to become a controlling shareholder than when we plan to simply acquire bonds, bank debt or a minority equity position. Since our primary responsibility is to seek to maximize investment returns of our clients, our ESG due diligence should always be tailored with this goal in mind.

A. Environmental Issues. Due diligence under the circumstances may include conducting environmental site assessments on potential real estate holdings or engaging consultants to review particular environmental issues, such as manufacturing operations or emissions taxes.

B. Social Issues. Due diligence under the circumstances may involve identifying where the company's operations and customers are located. Certain jurisdictions may be at greater risk for practices that violate applicable laws or regulations relating to bribery, money laundering or child labor, or may be subject to U.S. sanctions that would prohibit or restrict us from doing business in that jurisdiction in order to achieve U.S. foreign policy or national security goals. When appropriate, legal counsel or other experts may be engaged to review legal or regulatory proceedings to ensure that the company maintains adequate safeguards to ensure compliance with applicable laws and regulations.

C. Governance Issues. Appropriate due diligence under the circumstances may involve engaging legal counsel to review organizational documents and accounting firms to review financial information.

3. Investment professionals may factor the results of their ESG due diligence into their investment decisions in an appropriate manner. There may be situations where the results of our ESG due diligence will lead to a decision to forgo the potential investment because identified ESG risks materially impact the investment's anticipated returns. For example, an identified environmental liability or pending investigation may present an unacceptable risk of loss. In addition, ESG due diligence may reveal unacceptable legal or reputational risk, such as unacceptable employment practices or relationships with governments subject to OFAC sanctions or participation in commerce that is known to finance terrorist organizations.

Assuming there is no material ESG-related reason not to make an investment, the responsible investment professional may nevertheless seek to address any identified ESG issues to the extent practical. In the case of a control investment, this may take the form of contractual representations, warranties and covenants and accompanying indemnities.

4. ESG improvements may be instituted for appropriate investments to the extent necessary and consistent with Credit Finance' long-term investment goals, and Credit Finance asset management professionals are expected to continue to monitor their investments for ESG issues. The level of ESG activity after an investment is made will likewise be guided by the level of ESG risk assessed pre-investment. For investments that involve a material amount of assessed ESG risk, to the extent ESG improvements are warranted and can be effected, Credit Finance may seek to influence ESG behavior through active dialogue with management and input on operational decisions. Investments in the form of control or majority equity ownership will give us the greatest amount of influence, but we may also have the ability to influence decisions if we are a significant debt holder. To the extent we have the capacity to influence ESG factors relating to the investment, investment and asset management professionals may seek to encourage management of the investee company to develop an action plan to address identified ESG issues, if any, with appropriate targets and timetables for improvement and monitor their portfolio companies as appropriate for progress on ESG issues.

5. Credit Finance will work together with its clients on appropriate reporting on its ESG compliance efforts in order to address the needs of its institutional and other clients.