

UK MODERN SLAVERY ACT – STATEMENT 2023

Introduction

This statement is published on behalf of Cerberus European Capital Advisors LLP, Cerberus UK Management Ltd, and Cerberus European Servicing Ltd in line with the UK Modern Slavery Act 2015 (“MSA”) and covers both entities and other group affiliates in the UK that are not legally required to prepare a statement (collectively, “Cerberus”).

The MSA came into force in October 2015 and requires large organisations doing business in the UK to publish a “slavery and human trafficking statement” for each financial year.

The concept of “modern slavery” encapsulates behaviours such as forced, compulsory or coerced labour, deprivation of personal freedom, or facilitating the movement of people for exploitation. We do not tolerate modern slavery either within our business itself or within our supply chain. We expect our supply chain - both our direct suppliers, and those who directly or indirectly supply them - to share these same values.

Our Structure and Business

Founded in 1992, Cerberus Capital Management, L.P. (“CCM”), together with its affiliated management/general partner entities, operations companies, loan servicing companies and funds and accounts (collectively “the Cerberus Group”), is a pioneer in alternative investing with approximately \$60 billion in assets under management¹ across complementary credit, operational private equity, and real estate strategies.

We invest across the capital structure, where our integrated investment platforms and proprietary operating capabilities create an edge to improve performance and drive long-term value.

Our Policies and Practices

The Cerberus Group’s investment strategies adhere to five inter-related principles: Flexibility, Innovation, Risk Management, Discipline and Transparency. Individually, each principle represents an important aspect to asset identification and management. Collectively, these principles drive our strategic approach that allows us to successfully deploy capital and human resources in diverse market conditions across a variety of geographic regions and investment sectors.

From a risk management perspective, our business model is rooted in vigorous due diligence and strict compliance with laws, rules, and regulations, which includes obligations under the MSA. Cerberus strives to achieve best practices as established within the alternative investment management industry, particularly in areas of governance, compliance, investor disclosure, valuation procedures and risk management.

¹ Assets Under Management (“AUM”) is as of September 30, 2022. The AUM referenced represents the total Cerberus Funds AUM, excluding co-investments, but, depending on the type of fund, the AUM calculation would vary. For unlevered commitment funds in their investment period, AUM represents equity commitments, and during those funds’ post-investment period AUM represents, either adjusted cost or NAV, depending on the fund. The AUM of each multi-strategy fund is assigned across the relevant strategies in proportion to the percent of market value of the investments in the various strategies. For commitment funds with fund level leverage, AUM during the funds’ investment period is calculated based on equity commitments plus outstanding leverage and in the post-investment period based on NAV plus outstanding leverage. Outstanding leverage excludes subscription facilities. For evergreen funds, AUM represents NAV.

CCM maintains an ESG Policy as well as ESG sub-policies applicable to its various investment strategies.² CCM has an ESG Committee, chaired by the Head of ESG & Sustainability, which includes certain members of CCM's senior leadership. The ESG Committee is responsible for setting and overseeing the ESG Policy. CCM also has a dedicated ESG team composed of full-time, dedicated ESG professionals responsible for overseeing and implementing its ESG practices, including during the diligence and hold period of investments. ESG factors, issues and considerations may vary greatly based on numerous criteria. ESG issues that may be reviewed include human rights, relations with indigenous people, child labour, labour standards, bribery and corruption, and supply chain risks.

CCM became a signatory to the Principles for Responsible Investment in March 2023. Additionally, CCM became a member of the International Financial Reporting Standards Foundation in December 2022.

The Cerberus Group has policies and procedures, including those documented in the UK Compliance Manual and Global Compliance Manual, as well as a Whistleblowing Policy and an Ethics Hotline, which provide a mechanism for Staff to report good faith and genuine concerns of any suspected malpractice, abuse of our policies or any non-compliance with legal and/or regulatory responsibilities. Upon joining the Cerberus Group all Staff receive induction training which includes information on these policies and procedures and how we expect staff to conduct business.

Due Diligence, Risk Assessment and Mitigation

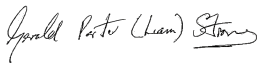
In light of Cerberus' business, we believe our exposure to and the risk of slavery or human trafficking across our supply chains is low. Nonetheless, Cerberus assesses and addresses the risk of modern slavery within our supply chain. Our goal is to ensure that current and potential vendors are aware of our policies and expectations relating to these behaviours. We have taken measures to enhance our review of UK based suppliers to confirm their position with respect to the Modern Slavery Act. If we determine any of our suppliers are required to have an MSA statement but did not publish a statement, we will contact them requesting details of their MSA policies. Upon receipt of their responses, we will determine appropriate action including, where necessary, advising them of our expectations in this regard. As of the date herein, we have not identified any in-scope suppliers out of compliance with MSA requirements.

Our key suppliers include professional services firms, such as legal advisers, investment banking, accounting and other consulting firms, and providers of research and data analytics, software, and information technology services. Given the nature of the services provided, we believe that the risk of modern slavery at these vendors is minimal with respect to the services that they provide to us, but we will nevertheless keep under review what additional steps we can take.


We shall be incorporating MSA policy requirements into our new supplier on-boarding process, which includes a bespoke workflow tool which ensures certain aspects of the MSA are satisfied and that suppliers accord with our expectations.


² Cerberus Firm-wide ESG Policy was most recently updated in June 2023.

This statement has been approved by the Chief Executive Officer, Head of ESG and Sustainability, U.K. Compliance Officer and Head of European Finance of Cerberus European Capital Advisors LLP and Co-Head of Cerberus European Servicing Ltd.

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