



Partners Group

REALIZING POTENTIAL IN PRIVATE MARKETS

PARTNERS GROUP (USA) INC.

FORM ADV PART 2A

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This brochure (the "Brochure") provides information about the qualifications and business practices of Partners Group (USA) Inc. (the "Adviser"). If you have any questions about the content of this Brochure, please contact us at (212) 908-2600. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Partners Group (USA) Inc. is registered with the SEC as an investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information on which you may determine to hire or retain an investment adviser.

Additional information about Partners Group (USA) Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

The Adviser's most recent update to Part 2A was made on March 30, 2020. The Adviser is now updating Part 2A to reflect the following material changes:

- Additional risk disclosures concerning COVID-19 and the transition away from LIBOR have been added to Item 8.
- One of the Adviser's clients, Partners Group Private Income Opportunities, LLC, has been merged with Partners Group Private Equity (Master Fund), LLC and will no longer be offered to investors.

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Item 4 – Advisory Business

Partners Group (USA) Inc. (the “Adviser”), a Delaware corporation founded in 2000, is an investment advisory firm whose primary business is to provide discretionary investment advice relating to private market investments, primarily to institutional investors. The Adviser also provides discretionary investment advice to Partners Group Private Equity (Master Fund), LLC and Partners Group Private Income Opportunities, LLC, both registered investment companies under the Investment Company Act of 1940 (hereafter collectively referred to as the “Registered Investment Companies”) and to a liquidity portfolio of publicly traded private equity related securities for Partners Group Private Equity (DC) CIT, a collective investment trust managed by Benefit Trust Company (hereafter referred to as the “DC Product”).

In providing its investment advisory services, the Adviser may:

- Be contractually engaged as an investment adviser by an institutional client (a “Direct Relationship”);
- Act as general partner and/or investment adviser/investment manager to certain pooled investment vehicles (each, a “Private Fund”);
- Act as general partner and/or investment adviser/investment manager to certain entities established to provide services tailored to specific clients’ needs (each, a “Separate Account”); and/or
- Act as sub-adviser to certain Private Funds.

Together with the Registered Investment Companies, the DC Product, all Direct Relationships, Private Funds and Separate Accounts are hereinafter referred to as the Adviser’s “Client(s)”. The Adviser’s Clients may invest in limited partnerships and/or other investment entities managed by affiliates of the Adviser. The Adviser’s services are based on each Client’s specific needs and may vary from Client to Client.

The Adviser or its affiliates may, in their sole discretion, use side letters or other agreements to modify certain offering terms of pooled investment vehicles for investors that are principals, employees or affiliates of the Adviser and/or for certain other investors.

With respect to the Registered Investment Companies, the Adviser tailors its advisory services based on the investment objectives and strategies of the Registered Investment Companies. The requests or needs of individual investors in the Registered Investment Companies are not taken into account, nor are such investors permitted to restrict or otherwise control the investments of the Registered Investment Companies. For more detailed information regarding the Registered Investment Companies please contact Partners Group (USA) Inc. at (212) 908-2600.

The Adviser manages discretionary assets on a committed basis in the amount of approximately as of December 31, 2020. The Adviser also manages non-discretionary assets on a committed basis in the amount of approximately as of December 31, 2020.

The Adviser is wholly owned by Partners Group Holding AG, a Swiss corporation. Partners Group Holding AG is a public company and is listed on the SIX Swiss Exchange (ticker: PGHN).

Item 5 – Fees and Compensation

The Adviser receives management fees in connection with the investment management services it provides to its Clients and may also receive performance fees, carried interest or incentive allocations. All fees are subject to negotiation. Final, negotiated fees are reflected in the respective Client's written agreement with the Adviser. Management fees are typically payable in arrears on a quarterly basis, and are typically deducted from Client assets. Management fees and performance fees, carried interest or incentive allocations relating to investments made prior to termination of any investment management or advisory contract remain payable notwithstanding termination of such contract.

Where the Adviser invests Client assets in investment companies or pooled investment funds, the managers, advisers and/or general partners of such investment companies or funds will assess management/advisory fees and/or carried interest that are in addition to the compensation payable to the Adviser.

As stated in Item 4, a Client of the Adviser may invest in one or more investment vehicles where affiliates of the Adviser serve as the general partner and investment adviser or investment manager. In such circumstances, where the Client is already covered by a separate fee arrangement, fees that would otherwise have been payable to the Adviser or its affiliates in connection with the relevant investment are waived or rebated, such that the Client does not incur additional fees as a consequence of the relevant investment.

The Adviser's Clients bear certain expenses in connection with the Adviser's advisory services, either as direct investors or as investors, direct or indirect, in investment vehicles managed by the Adviser or its affiliates (an "Investment Vehicle"). Such expenses, which in the good faith judgment of the Adviser are incurred for the benefit of the Adviser's Clients, may include, but are not limited to: any fees and expenses relating to: (a) the sourcing/introduction, assessment, negotiation, execution, management, realization and monitoring of investments and prospective investments (whether or not consummated) or temporary investments (including, but not limited to, travel, lodging, and meals relating thereto, and third party service provider and other consultant services relating to economic research, market segment research, commercial, legal and tax due diligence); (b) reasonable premiums for insurance protecting an Investment Vehicle and the general partner or managing member, as applicable, any of its affiliates and any of their officers, directors, managers, employees and agents from liabilities to third parties in connection with respective Investment Vehicle affairs; (c) legal, tax, accounting, regulatory, compliance, third party service provider and other consultant services, including but not limited to fees and expenses relating to: financial statements and tax returns (of an Investment Vehicle and/or relevant investments thereof); FATCA/CRS; regulatory compliance costs of Investment Vehicles; anti-money laundering regulations in respect of investments and prospective investments, the conducting of anti-money laundering and sanctions checks with respect to investment and prospective investments; "customer due diligence" and jurisdiction specific reviews of placement rules and investor suitability; anti-trust and competition laws and data privacy; fees and rebates (including costs and expenses stemming from administration and of the Adviser's fees); corporate and administrative services such as domiciliation and corporate secretarial services (including document storage services, valuation services, data tracking, and development and maintenance of reporting and valuation tools); investor reporting (including translation services); auditing services; any fees paid to and costs related to the appointment or removal of any director of any general partner of an Investment Vehicle who is not an employee of the Adviser or its affiliates, and for all reasonable out-of-pocket expenses properly incurred by any such director in connection with the business of such general partner of an Investment Vehicle; (d) subscriptions and licenses (e.g. relating to due diligence, monitoring, administration, reporting and valuation requirements) and related setup and maintenance services;

(e) taxes, government and regulatory charges, related fees and expenses and duties (including a proportionate share of the registration and licensing costs incurred from local regulatory authorities when the Adviser or its affiliates act as general partner or similar capacity for Investment Vehicles; any registration and listing fees and expenses after the final closing of an Investment Vehicle, any filing fees and expenses, and any ongoing maintenance charges); (f) principal, interest on and fees and expenses relating to or arising from any borrowing, security, cash management, custody guarantee or hedging services and/or related activities of an Investment Vehicle; (g) expenses of an advisory board of an Investment Vehicle; (h) costs of annual meetings required of an Investment Vehicle or any other similar Investment Vehicle meetings; (i) costs of winding up and liquidating an Investment Vehicle; (j) fees, costs, expenses (including attorney's fees) and liabilities relating to any claim, dispute, investigation or other proceeding involving an Investment Vehicle, excluding indemnification expenses; and (k) all damages and any expenses incurred pursuant to non-funding investors of an Investment Vehicle. For the avoidance of doubt, all routine overhead expenses, including rent, utilities, secretarial expenses and compensation and benefits of the Adviser's and its affiliates' employees shall be borne directly by the Adviser or its affiliates and may not be recharged to the Adviser's Clients.

A rules based approach is applied by the Adviser and its affiliates (hereinafter referred to as "Partners Group") in apportioning expenses between clients on a pro rata basis, however certain Clients may not be charged their pro rata portion of expenses that would otherwise be borne by such Clients, such portions instead being borne by Partners Group. Additionally, certain fees and expenses can result from Partners Group financing certain types of investments via credit facilities; in such instances such fees and expenses are allocated to Clients with an appetite for such investments, therefore a Client could be allocated such expenses even where it did not draw upon the relevant credit facility.

Expenses incurred with respect to consummated investments are generally allocated among the investors participating in such investments. With respect to each investment in which any co-investor co-invests with one or more Partners Group-managed funds or separate accounts, investment expenses or indemnification obligations related to such investments are generally borne by such funds or separate accounts and such co-investor(s) in proportion to the capital committed by each to such investment.

Broken deal expenses are generally allocated entirely to funds or separate accounts discretionarily managed by Partners Group that would be allocated the relevant potential, but ultimately unconsummated, investment and not to any co-investor allocated to such proposed investment. Discretionarily managed Partners Group funds or separate accounts typically have priority allocation rights to investments whilst co-investors have no such rights but typically participate to enable a transaction considered beneficial for the discretionarily managed Partners Group funds or separate accounts participating therein as such funds' and separate accounts' collective appetite alone is typically insufficient to consummate such transactions. Accordingly, discretionarily managed Partners Group funds or separate accounts shall bear the entire amount of broken deal expenses incurred, in proportion to the capital they would have committed to the contemplated unconsummated investment, save for certain initial stage broken deal expenses which may be allocated to Partners Group funds and separate accounts (and not to co-investors) based on such funds' and accounts' investment objectives rather than a planned allocation to an investment.

Notwithstanding the above, Partners Group may enter into separate arrangements with clients and co-investors in connection with the payment of investment related expenses (including broken deal expenses); such arrangements shall not disadvantage any discretionarily managed Partners Group funds or separate accounts or Clients of the Adviser.

Partners Group receives certain fees in connection with the management, development and operation of Client's investments (e.g. assuming directorships for the purpose of managing, developing or operating investment, acting as consultants, the provision of advice on mergers, acquisitions, add-on acquisitions, financings, re-financings, public offerings, sales and similar transactions relating to an investment, and the identification, execution and implementation of financial or operational value creation strategies, as well as environmental, social, and corporate governance initiatives) ("Equalization Rebate") and/or certain other fees (e.g. transaction fees, break-up fees, monitoring fees, or other similar fees) ("Transaction Income"). While not the current policy of the Adviser, in certain limited instances the payment of certain types of transaction fees or monitoring fees may be accelerated upon the exit from an investment or in certain other circumstances, such as an initial public offering or change of control. 100% of all Equalization Rebate and Transaction Income received by Partners Group shall be offset against management fees due to Partners Group; however in very limited circumstances a lower rate or no offset may apply pursuant to governing client agreements or Investment Vehicles.

Different fee and expense arrangements will apply to co-investors that invest alongside Clients and clients of the Adviser's affiliates. Specifically, Transaction Income attributable to such co-investors may be retained by Partners Group as such co-investors may not receive the benefit of having Transaction Income offset against management fees. Additionally, co-investors may charge Client investments separate fees, similar to Transaction Income or an Equalization Rebate, that Partners Group does not consider when offsetting Transaction Income and/or Equalization Rebate against management fees as Partners Group is not party to such fee arrangements. Please see Item 10 for further information on co-investing activities of Partners Group.

Partners Group offers reduced fee rates to employees who wish to invest in Investment Vehicles alongside investors; Partners Group does not offer employee-only Investment Vehicles but employees may establish separate accounts advised by an affiliate of the Adviser. Additionally, Partners Group employees may receive discounts from portfolio companies of Investment Vehicles when such discounts are approved by Partners Group.

The investments made by the Adviser on behalf of its Clients are generally in private securities, rather than publicly-traded securities, with the exception of currency hedging options and contracts, the liquidity portfolio of the DC product, and the listed security portfolios of the Registered Investment Companies. As a result, Clients other than the DC Product and Registered Investment Companies do not generally incur brokerage or brokerage-related transaction costs, save for costs associated with hedging currency exposures. Additionally, the Adviser may also incorporate highly liquid senior secured or subordinated debt securities ("Broadly Syndicated Loans") into the portfolios of the Registered Investment Companies where similar commissions or other fees may be incurred by such Clients. Please refer to Item 12, Brokerage Practices, for a description of the Adviser's practices regarding selection of broker-dealers and trading.

The information contained herein is a summary only and is qualified in its entirety by the information contained in the confidential private placement memorandum of any Investment Vehicle sponsored by the Adviser or its affiliates, which provides a detailed and complete description of the fees and costs associated with an investment in the relevant Investment Vehicle. Please contact Partners Group (USA) Inc. at (212) 908-2600 to request a copy of a particular Investment Vehicle's confidential private placement memorandum.

Item 6 – Performance-Based Fees and Side-By-Side Management

In some cases, the Adviser has entered into performance-based arrangements with Clients. Such arrangements are generally subject to individualized negotiation with each relevant Client. All such performance or incentive allocation arrangements are offered pursuant to Rule 205-3 of the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

Performance-based allocation arrangements may create an incentive for the Adviser to recommend investments that are riskier or more speculative than those which would be recommended under a different arrangement. Such arrangements also create an incentive to favor higher-fee paying Clients over other Clients of the Adviser in the allocation of investment opportunities. The Adviser has implemented procedures designed to ensure that all Clients are treated fairly, and to prevent this potential conflict from influencing the allocation of investment opportunities among its Clients.

Item 7 – Types of Clients

The Adviser primarily provides investment advisory services to institutional investors and certain high net worth investors via Direct Relationships or in its role as general partner and/or investment adviser/investment manager to Private Funds, the Registered Investment Companies, the DC Product and Separate Accounts.

Each institutional investor that has a Direct Relationship with the Adviser and each underlying investor of the Private Funds and Separate Accounts must meet the “accredited investor” standard of Rule 501 of the Securities Act of 1933, as amended, and the “qualified purchaser” standard of Section 2(a)(51) of the Investment Company Act of 1940, as amended. Underlying investors in the Registered Investment Companies must meet the “accredited investor” standard referenced above and the “qualified client” standard of Rule 205-3 of the Advisers Act.

Separate Accounts managed by the Adviser typically require a \$100 million minimum investment. For investments in Private Funds sponsored by the Adviser or its affiliates, a \$5-10 million minimum investment is generally required. For investment into the Registered Investment Companies the minimum investment is generally \$50,000 for individuals and \$1 million for institutional investors.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Investing directly or indirectly in securities managed or selected by the Adviser involves risk of loss up to and including the loss of a Client’s entire investment; Clients therefore must be prepared to bear such loss.

In performing its investment advisory activities, the Adviser significantly relies upon sourcing, analysis, risk management and other functions performed by its affiliates. Professionals directly employed by the Adviser generally participate in the due diligence and analysis process with respect to investment opportunities in North and South America, but may have limited or no participation with respect to investment opportunities in other geographic regions other than the analyses made by the Adviser’s independent private equity investment committee (the “Adviser Investment Committee”). Through its relationship with its affiliates, the Adviser gains access to, and benefits from, a much broader range of investment opportunities, analytical resources and investment personnel than would otherwise be available while retaining full investment discretion in regards to its Clients.

Partners Group sources investment opportunities on a global basis through referrals of its affiliates, including the Adviser. All investment opportunities sourced by the Adviser are referred to Partners Group for due diligence and analysis, as described below, before being recommended or allocated to any of the Adviser's Clients. Once identified, investment opportunities are generally logged into a proprietary database that tracks Partners Group's analysis of the opportunity. Investment analysis by Partners Group generally involves (i) a market assessment based on periodic analysis of relevant economic fundamentals, (ii) the development of a relative value outlook for different markets and/or for various investment subcategories within such markets and (iii) a critical review of individual investment opportunities available to Partners Group. Partners Group typically analyzes each individual investment opportunity through the step-by-step process outlined below. The manner in which each step is completed, including whether any steps may be completed concurrently, depends on the particular circumstances of each potential investment opportunity and remains at the discretion of Partners Group.

Investment Analysis Process

Investment analysis is primarily based upon original research and due diligence performed by Partners Group. Partners Group may also review research reports generated by third parties, conduct interviews with investment managers and/or perform corporate inspections. Partners Group may also hire research/consulting firms on a fee-for-service basis (non-soft dollar) to obtain access to research databases or research professionals.

Teaser

Investment opportunities sourced by Partners Group may be presented as a "Teaser" to one of Partners Group's specialized investment committees, which are delineated by investment type. The Teaser consists of a brief summary of the opportunity. After reviewing a Teaser, the relevant specialized investment committee will either approve or reject the investment team's request to allocate due diligence resources to the relevant opportunity.

First Check

The initial analysis of an investment opportunity is typically referred to as a "First Check" or "FC". Each FC highlights various aspects of the relevant investment opportunity, such as strategy, management team, track record and/or market positioning. Such initial analyses may be presented to either one of Partners Group's specialized investment committees or Partners Group's global investment committee (each, a "Partners Group Investment Committee") for an initial review, depending on the potential size of the investment opportunity. Partners Group's global investment committee is comprised of Partners Group's most senior professionals across the globe.

Preliminary Investment Recommendation/Indicative Bid

Where the appropriate Partners Group Investment Committee determines that an investment opportunity merits additional due diligence, selected investment professionals of Partners Group perform a thorough commercial due diligence assessment of the investment opportunity and prepare a Preliminary Investment Recommendation ("PIR"), or in case of secondary investments, an "Indicative Bid", which consists of a standard set of documents that detail the findings of the investment team performing the analysis on the investment opportunity. The investment team performing this assessment and preparing the PIR or Indicative Bid may or

may not include professionals directly employed by the Adviser, depending on the nature and geographic location of the relevant investment opportunity.

When complete, the relevant PIR or Indicative Bid is presented to the appropriate Partners Group Investment Committee for review. The PIR or Indicative Bid may either be approved for further due diligence or rejected. Any PIR or Indicative Bid which is approved by the relevant Partners Group Investment Committee is sent back to the investment, tax and legal teams to follow up on any open issues or questions, to proceed with legal and tax due diligence and to negotiate transaction documents.

Investment Recommendation/Binding Bid

Once the investment team has addressed any issues raised at the PIR or Indicative Bid stage, the opportunity is resubmitted to the relevant Partners Group Investment Committee as an Investment Recommendation ("IR"), or in case of secondary investments, a Binding Bid. The relevant Partners Group Investment Committee then approves or rejects the investment opportunity. The Adviser generally will not make any investment for its Clients if the relevant Partners Group Investment Committee has not previously approved an IR or Binding Bid in respect of such investment.

Allocation Process

Concurrent with the investment analysis process described above, Partners Group's portfolio management team allocates prospective investment opportunities among Partners Group clients, including those of the Adviser. Allocations are based on a pro-rata principle, taking into account each client's particular investment objectives, guidelines, restrictions, risk parameters, investment demand and other suitability criteria. Accordingly, due to differences in (1) the nature of each investment opportunity, (2) the amount expected to be available for investment in a given transaction and (3) the aggregate demand among Partners Group clients for investments in a given category, allocations in respect of a given transaction may or may not include allocations for Clients of the Adviser.

The Adviser Investment Committee represents the interests of the Adviser's Clients during this allocation process. Specifically, the Adviser Investment Committee provides investment guidelines to Partners Group's portfolio management team detailing the appropriate kinds of investments that could be allocated to each of the Adviser's Clients based on certain factors, such as, but not limited to, investment type, geography, size, and diversification requirements. These inputs from the Adviser Investment Committee are independent of any specific deal analysis and are updated as necessary.

Based on the Client-specific factors communicated by the Adviser Investment Committee, Partners Group's portfolio management team may make preliminary allocations of investment opportunities to the Adviser's Clients. Preliminary allocations are typically determined at an early stage of the investment analysis process and allow both the Partners Group Investment Committees and the Adviser Investment Committee to assess potential demand for particular investment opportunities. Preliminary allocations are subject to change based on various factors such as, but not limited to, due diligence findings, structural changes, or changes in the investor syndicate.

The Adviser Investment Committee reviews all preliminary allocations recommended for its Clients by Partners Group's portfolio management team. Based on its independent analysis of the investment opportunity, both in terms of commercial appeal and suitability for the Adviser's Client(s), the Adviser Investment Committee may approve the allocation as proposed, approve a reduced allocation below the

amount proposed, or reject the proposed allocation entirely. Any investment opportunity that is rejected by the Adviser Investment Committee will not be allocated to the relevant Client. The Adviser Investment Committee may also request an increased allocation with respect to particular investment opportunities or request an allocation to an investment opportunity not initially recommended to the Adviser's Client(s) by the portfolio management team, based on its analysis of its Clients' investment objectives, guidelines, restrictions, investment demand and other suitability criteria. Nevertheless, all allocations are subject to availability and Partners Group's global allocation policy, to which the Adviser is subject. Although the Adviser may reject any investment opportunity and/or proposed allocation, the Adviser may not compel Partners Group to make (or increase) the allocation in respect of any particular investment opportunity, and accordingly, the Adviser Investment Committee's requests for increased or new allocations may or may not be satisfied. Any investment opportunity the portfolio management team recommends for consideration is independently reviewed, considered and voted upon by the Adviser Investment Committee.

With input from the Adviser Investment Committee and the relevant Partners Group Investment Committee(s), Partners Group's portfolio management team proposes a final allocation of an investment opportunity among clients of Partners Group and/or its affiliates. If a final allocation to an investment opportunity includes one or more Clients of the Adviser, the Adviser Investment Committee must approve such allocation prior to execution of the investment. If approved, members of the Adviser Investment Committee will execute an investment direction letter that must be received by Partners Group's deal execution team prior to final sign off of the investment.

Extensions of Ownership

Partners Group may engage in transactions in private markets assets involving Clients that, based on selection criteria such as industry dynamics, a long-term business plan, value creation potential and maturity estimates, are expected to be suited for longer-term holding periods compared to traditional buyouts, as determined by Partners Group; with the partial or complete acquisition or sale of such investments involving Clients of the Adviser where, if the Adviser determines it is in the relevant Client's best interest to do so, (i) sell all or a portion of a current investment to purchasers which include other Partners Group client(s), (ii) purchase all or a portion of an investment from one or more Partners Group clients, or (iii) participate on either side of the transaction by both selling a portion of an investment while retaining or repurchasing a different portion of the same underlying investment ("Extensions of Ownership").

In such transactions, the Adviser and its affiliates will prioritize extending clients' and/or the Adviser's Client's existing exposure to the relevant investment, as the case may be, assuming the Adviser and its affiliates have determined it is in the best interests of such investors to do so and that investment vehicles directly or indirectly controlled by the Adviser and/or its affiliates possess significant governance rights in the relevant underlying asset before and after the Extension of Ownership, before allocating to new investors or adding to such existing exposure(s). Conflicts may arise in determining the amount of an investment and/or divestment, if any, to be allocated among Partners Group clients and Clients of the Adviser in an Extension of Ownership and the respective terms thereof, and there can be no assurance that any portion of such investment/divestment opportunity will be allocated to Clients of the Adviser.

The Adviser and its affiliates will only involve Clients in an Extension of Ownership transaction where it aligns with such Client(s)' best interests. When determining such Client(s)' best interests within the context of an Extension of Ownership, the Adviser and its affiliates will consider the totality of circumstances of the transaction, including e.g. the Client(s)' investment objectives and time horizon, offered terms from third-party purchasers/sellers of the investment, and any other transaction specific factors (e.g. tax and legal considerations and the participation of other Partners Group clients) that influence the possible outcomes of the transaction vis-a-vis the relevant Client(s) of the Adviser. There can be no assurance that the return of the relevant Client(s) on a particular investment that is subject to an Extension of Ownership will be equivalent to or better than the returns obtained by other Partners Group clients participating in the transaction or holding such investment. Furthermore, a conflict may arise in such Extension of Ownership because other Partners Group clients may be acting on the other side of the transaction and the Adviser and its affiliates may control the investment prior to and after the Extension of Ownership. The Adviser and its affiliates have established rule-based procedures designed to ensure all involved clients' interests are fairly and equitably addressed through their participation in a given Extension of Ownership; for example, the Adviser and its affiliates will for each Extension of Ownership ensure arm's length pricing in accordance with the requirements of applicable regulations. Clients of the Adviser should note that there can be no assurance that the resolution of any conflict will result in circumstances that favor them, and each Client should be aware that in some instances, a decision by the Adviser and its affiliates to take a particular action could have the effect of benefiting other Partners Group clients (and may also have the effect of benefiting the Adviser and its affiliates).

Liquid Private Markets Investments

The Adviser maintains a separate liquid private markets investment committee (the "Adviser Liquid Investment Committee") that manages the liquidity portfolio of the DC product as well as any publicly traded investments of the Registered Investment Companies. This committee follows a substantially similar investment analysis process described above (e.g. FC, PIR etc.) tailored to the publicly traded investment market.

Further, the Adviser Liquid Investment Committee participates in a global allocation framework similar to the above described process, with Partners Group's global portfolio committee providing recommendations to the Adviser Liquid Investment Committee on how to incorporate the firm's overall relative value market analysis into allocations of publicly traded investments.

Broadly Syndicated Loan Management Team

The Adviser also maintains a separate portfolio management team for its Clients' investments in Broadly Syndicated Loans (the "Adviser BSL Management Team") that manages the Adviser's Clients' Broadly Syndicated Loan portfolios. The Adviser BSL Management Team follows a substantially similar investment analysis process described above, tailored to the Broadly Syndicated Loan market.

Further, the Adviser BSL Management Team participates in a global allocation framework similar to the above described process, with Partners Group's global liquid loans team providing recommendations to the Adviser BSL Management Team on how to incorporate the firm's overall relative value market analysis into allocations of Broadly Syndicated Loans.

Material Risks

Before investing in any vehicle sponsored by the Adviser or its affiliates, prospective investors should ensure that they (i) understand the risk factors associated with private investments, which generally include, but are not limited to, the material risks outlined below, and (ii) have the financial ability and willingness to accept such risks. For a more comprehensive description of the risks associated with investing in a vehicle sponsored by the Adviser or its affiliates, please reference the relevant private placement memorandum. The information contained herein regarding such risks is a summary only and is qualified in its entirety by information found in the relevant private placement memorandum.

Identification of investment opportunities and expenses. The success of the Adviser depends on the availability and identification of suitable investment opportunities. The availability of investment opportunities will be subject to market conditions and other factors outside the control of the Adviser. There can be no assurance that the Adviser or its affiliates will be able to identify sufficient attractive investment opportunities to meet the Adviser's Client's investment objectives.

Economic, political and legal risks. The Adviser's investments may be made in a number of countries, including less developed countries, exposing investors to a range of potential economic, political and legal risks. These may include, but are not limited to, declines in economic growth, inflation, deflation, currency revaluation, nationalization, expropriation, confiscatory taxation, governmental restrictions, adverse regulation, social or political instability, negative diplomatic developments, military conflicts, and terrorist attacks.

Clients should note that private markets in countries where the Adviser's investments are made may be significantly less developed than those in Clients' domiciles. Certain investments may be subject to extensive regulation by national governments and/or political subdivisions thereof, which prevent the Adviser from making investments it otherwise would make, or which may cause the Adviser to incur substantial additional costs or delays that it otherwise would not suffer.

Such countries may have different regulatory standards with respect to insider trading rules, restrictions on market manipulation, shareholder proxy requirements and/or disclosure of information. In addition, the laws of various countries governing business organizations, bankruptcy and insolvency may make legal action difficult and provide little, if any, legal protection for investors. Any such laws or regulations may change unpredictably based on political, economic, social, and/or market developments.

Unforeseen global risks; COVID-19. The economic, political and legal risks described above may be exacerbated by widespread health crises or other unforeseen global crises. For example, on March 11, 2020, the global spread of the respiratory disease caused by the novel coronavirus, COVID-19 ("COVID-19"), was declared a pandemic by the World Health Organization. Governments, businesses and the public are taking unprecedented and drastic actions to contain the spread of COVID-19 and mitigate its effects, including quarantines, travel restrictions, restrictions on public gatherings, stay-at-home orders, closures of businesses and schools, fiscal stimulus, and legislation designed to deliver monetary aid and other relief. In addition, the Federal Reserve and other central banks have made rare or unprecedented interventions in the financial markets intended to limit the economic impact of the pandemic and to ensure that financial markets continue to function during this period of significant stress.

The pandemic and the related efforts to contain it have significantly disrupted economic activity, which has had a significant adverse effect on the markets in which the obligors conduct their businesses. The pandemic has

also adversely affected the functioning of financial markets, including credit markets generally and the leveraged loan market specifically, which have experienced significant declines, high volatility and reductions in liquidity. This volatility, if it continues, could have an adverse impact on the financial condition and results of operations of the Adviser. Although vaccines against the COVID-19 virus have been approved and more are in development, there can be no assurance as to the availability of vaccines, the rate of vaccination or the effectiveness of vaccination against the COVID-19 virus or any mutations.

Business continuity risks. Pandemics, political instability, military conflicts, terrorist attacks or other sudden crises may also overburden the infrastructure of global financial, political and technological systems, which could pose risks to the Adviser's ability to perform functions necessary for its provision of investment services to its Clients. For example, the COVID-19 crisis required a large portion of the world's labor force to work remotely, close down office locations, and restrict travel.

LIBOR Risk: Borrowers of senior secured loans, CLO equity and debt securities typically obtain financing at a floating rate based on LIBOR. Regulators and law-enforcement agencies from a number of governments, including entities in the United States, Japan, Canada and the United Kingdom, have conducted or are conducting civil and criminal investigations into whether the banks that contribute to the British Bankers' Association, or the "BBA," in connection with the calculation of daily LIBOR may have been under-reporting or otherwise manipulating or attempting to manipulate LIBOR. Several financial institutions have reached settlements with the CFTC, the U.S. Department of Justice Fraud Section and the United Kingdom Financial Services Authority in connection with investigations by such authorities into submissions made by such financial institutions to the bodies that set LIBOR and other interbank offered rates. In such settlements, such financial institutions admitted to submitting rates to the BBA that were lower than the actual rates at which such financial institutions could borrow funds from other banks. Additional investigations remain ongoing with respect to other major banks. There can be no assurance that there will not be additional admissions or findings of rate-setting manipulation or that manipulations of LIBOR or other similar interbank offered rates will not be shown to have occurred. On July 9, 2013, it was announced that NYSE Euronext Rate Administration Limited would take over the administration of LIBOR from the BBA, subject to authorization from the Financial Conduct Authority and following a period of transition. Accordingly, ICE Benchmark Administration Limited (formerly NYSE Euronext Rate Administration Limited) assumed this role on February 1, 2014. Any new administrator of LIBOR may make methodological changes to the way in which LIBOR is calculated or may alter, discontinue or suspend calculation or dissemination of LIBOR.

Any of such actions or other effects from the ongoing investigations could adversely affect the liquidity and value of relevant investments made by the Adviser. Further, additional admissions or findings of manipulation may decrease the confidence of the market in LIBOR and lead market participants to look for alternative, non-LIBOR based types of financing, such as fixed rate loans or bonds or floating rate loans based on non-LIBOR indices. An increase in alternative types of financing at the expense of LIBOR-based debt securities may impair the liquidity of such securities.

On July 27, 2017, the FCA announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR rates after 2021, or the "FCA Announcement." The FCA Announcement indicates that the continuation of LIBOR on the current basis (or at all) cannot and will not be guaranteed after 2021 and that planning a transition to alternative reference rates that are based firmly on transactions, such as reformed Sterling Over Night Index Average, or "SONIA," must begin. Furthermore, in the United States, efforts to identify a set of alternative U.S. dollar reference interest rates include proposals by the Alternative Reference Rates Committee, or the "ARRC," of the Federal Reserve Board and the Federal Reserve Bank of New York. On

June 22, 2017, the ARRC identified the Secured Overnight Financing Rate, or “SOFR,” a broad U.S. treasuries repo financing rate to be published by the Federal Reserve Bank of New York, as the rate that, in the consensus view of the ARRC, represented best practice for use in certain new U.S. dollar derivatives and other financial contracts. The first publication of SOFR was released in April 2018. Although there have been a few issuances utilizing SONIA and SOFR, it remains in question whether or not these alternative reference rates will attain market acceptance as replacements for LIBOR.

Potential Effects of Alternative Reference Rates. At this time, it is not possible to predict the effect of the FCA Announcement or other regulatory changes or announcements, the establishment of SOFR, SONIA or any other alternative reference rates or any other reforms to LIBOR that may be enacted in the United Kingdom, the United States or elsewhere. As such, the potential effect of any such event on our net investment income cannot yet be determined. As LIBOR is currently being reformed, investors should be aware that: (a) any changes to LIBOR could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be; (b) if the applicable rate of interest on any loan or debt security is calculated with reference to a tenor which is discontinued, such rate of interest will then be determined by the provisions of the affected security or loan, which may include determination by the relevant calculation agent in its discretion; (c) the administrator of LIBOR will not have any involvement in the securities or loans and may take any actions in respect of LIBOR without regard to the effect of such actions on the securities or loans; and (d) any uncertainty in the value of LIBOR or, the development of a widespread market view that LIBOR has been manipulated or any uncertainty in the prominence of LIBOR as a benchmark interest rate due to the recent regulatory reform may adversely affect the liquidity of debt securities or loans in the secondary market and their market value.

Any of the above or any other significant change to the setting of LIBOR could have a material adverse effect on the value of, and the amount payable under, (i) any debt securities or loan which pay interest linked to a LIBOR rate. If LIBOR is eliminated as a benchmark rate, it is uncertain whether broad replacement conventions in the debt markets will develop and, if conventions develop, what those conventions will be and whether they will create adverse consequences for the issuer or the holders of debt securities or loans. Currently, it is generally contemplated that in a scenario where LIBOR is no longer available, debt security and loan administrators will be required to calculate a replacement rate primarily through dealer polling on the applicable measurement date. However, there is uncertainty regarding the effectiveness of the dealer polling processes, including the willingness of banks to provide such quotations, which could adversely impact the adviser's net investment income. More recently, documentation of certain debt securities and loans have included, or have been amended to include, language permitting the relevant investment manager to implement a market replacement rate (like those proposed by the ARRC) upon the occurrence of certain material disruption events. However, it cannot be ensured that all debt securities or loans will have such provisions, nor can it be ensured that the relevant investment managers will undertake the suggested amendments when able. If no replacement conventions develop, it is uncertain what effect broadly divergent interest rate calculation methodologies in the markets will have on the price and liquidity of debt securities and the ability of the managers to effectively mitigate interest rate risks. There can be no assurance that a change to any alternative benchmark rate (a) will be adopted, (b) will effectively mitigate interest rate risks or result in an equivalent methodology for determining the interest rates on the floating rate instrument, (c) will be adopted prior to any date on which the issuer of debt securities or loans suffers adverse consequences from the elimination or modification or potential elimination or modification of LIBOR or (d) will not have a material adverse effect on Clients or the Adviser.

Legal, tax and regulatory risks. Legal, tax and regulatory changes could occur during the term of an investment which may materially adversely affect such investment. For example, the regulatory and tax environment for leveraged investors and for private equity funds generally is evolving, and changes in the direct or indirect regulation or taxation of leveraged investors or private equity funds may materially adversely affect the ability of the Adviser to pursue its investment strategies or achieve its investment objectives. In addition, greater regulatory scrutiny may increase the Adviser's exposure to potential liabilities and increased regulatory oversight can also impose administrative burdens on the Adviser, including, without limitation, responding to examinations or investigations and implementing new policies and procedures.

Leverage. The use of leverage magnifies both the favorable and unfavorable effects on equity values of the Adviser's investments. Many investments are likely to have or acquire highly leveraged capital structures, increasing their exposure to adverse economic factors such as rising interest rates, reduced cash flows, fluctuations in exchange rates, inflation, downturns in the economy or deterioration in the condition of the company or its industry.

Hedging. The Adviser may employ hedging techniques designed to protect against adverse movements in currency, interest rates or other risks. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks and involve transaction expenses associated with the hedging. Thus, while the Adviser may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, securities prices, currency exchange rates or other factors may result in poorer overall performance for the Adviser's Clients than if it had not entered into such hedging transactions.

Currency risk. The Adviser's investments may be made in a number of different currencies. Any returns on, and the value of such investments may, therefore, be materially affected by exchange rate fluctuations, local exchange control, limited liquidity of the relevant foreign exchange markets, the convertibility of the currencies in question and/or other factors.

Financial market fluctuations. Fluctuations in the market prices of securities may affect the value of the Adviser's investments and may increase the risks inherent in such investments. A portfolio company's ability to refinance its debts and remain solvent may depend on the ability to sell new securities in the capital markets, to borrow from banks or otherwise, which may be impracticable or impossible in certain market environments.

Illiquid investments. The Adviser's investments generally will be subject to legal, contractual or other restrictions on transfer or will be investments for which no liquid market exists. As a consequence, the Adviser or its affiliates may not be able to sell its investments when it desires to do so or to realize what it perceives to be their fair value upon a sale. It is not generally expected that investments will be sold for a number of years after such investments are made. Consequently, the Adviser's investments are only suitable for sophisticated investors who are willing to hold their interests for the term of the relevant fund or separate account and who understand that they may lose all of a significant portion of their invested capital.

Valuations. Investments made by Partners Group are generally illiquid and therefore may be difficult to value. For this reason, valuations are generally not performed by a third party.

Possible lack of diversification. There can be no assurance as to the degree of diversification that will be achieved in the investments made by the Adviser. Concentrated investment exposure in a Client's portfolio could magnify the other risks described herein. The Adviser may participate in a limited number of investments

and, as a consequence, the aggregate return of the Client's portfolio may be substantially adversely affected by the unfavorable performance of even a single investment.

Limited operating history. Many of the Adviser's investments may have limited operating histories and the information the Adviser will obtain about such investments may be limited. As such, the ability of the Adviser to evaluate past performance or to validate the investment strategies of such investments will be limited. Moreover, even to the extent an investment has a longer operating history, the past investment performance of such an investment should not be construed as an indication of the future results of that investment, particularly as the investment professionals responsible for the performance of such investments may change over time. This risk is related to, and enhanced by, the risks created by the fact that the Adviser sometimes relies upon information provided to it by outside parties that may not be capable of independent verification.

Nature of portfolio companies. The Adviser's investments will include direct and indirect investments in various companies, ventures and businesses ("Portfolio Companies"). This may include Portfolio Companies in the early phases of development, which can be highly risky due to the lack of a significant operating history, fully developed product lines, experienced management, or a proven market for their products. The Adviser's investments may also include Portfolio Companies that are in a state of distress or which have a poor record and which are undergoing restructuring or changes in management, and there can be no assurances that such restructuring or changes will be successful. The management of such Portfolio Companies may depend on one or two key individuals, and the loss of the services of any of such individuals may adversely affect the performance of such Portfolio Companies.

Lack of transparency. The Adviser does not control the investments or operations of some of its investments. An underlying investment's general partner may employ investment strategies that differ from its past practices and are not fully disclosed to the Adviser and that involve risks that are not anticipated by the Adviser. Some underlying investment's general partners may have a limited operating history and some may have limited experience in executing one or more investment strategies to be employed for an investment. Furthermore, there is no guarantee that the information given to the Adviser and reports given to the Adviser with respect to underlying investments will not be fraudulent, inaccurate or incomplete.

Control issues. The Adviser and its affiliates may not have (i) the right to participate in the management, control or operation of its investments, (ii) the opportunity to evaluate the relevant economic, financial and other information that will be used by the respective managers, or (iii) the authority to remove the management of any investment. Investors will not acquire any direct economic or voting interest in investments.

In certain situations, the Adviser or its affiliates may exercise control over an investment. The exercise of control imposes additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations and other types of liabilities in which the limited liability characteristics of a corporation may be ignored. If these liabilities were to arise, the Adviser or its affiliates may suffer a significant loss.

Management and strategy risk. The ability of each Client's portfolio to meet its investment objective is directly related to the Adviser's investment strategies. The investment process used by the Adviser could fail to achieve a Client's investment objective and cause investments to lose value.

Mezzanine transactions. The Adviser may invest in mezzanine debt transactions. Although mezzanine securities are typically senior to common stock and other equity securities in the capital structure, they may be

subordinated to large amounts of senior debt and are usually unsecured. The Adviser may not be able to take the steps necessary to protect an investment in a timely manner or at all and there can be no assurance that the performance objectives on any particular mezzanine debt investment will be achieved. Mezzanine investments are generally subject to various creditor risks, including the possible invalidation of an investment transaction as a “fraudulent conveyance” under relevant bankruptcy laws, so-called lender liability claims by the issuer of the obligations and environmental liabilities that may arise with respect to collateral securing the obligations. Additionally, adverse credit events with respect to any investee company, such as missed or delayed payment of interest and/or principal, bankruptcy, receivership or distressed exchange, can significantly diminish the value of an investment in any such company.

Investing in unsecured loans involves certain risks. Unsecured loans are unsecured obligations of the applicable obligor, may be subordinated to other obligations of the obligor and generally have greater credit, insolvency and liquidity risk than is typically associated with investment grade obligations and secured obligations. Unsecured obligations will generally have lower rates of recovery than secured obligations following a default. Also, in the event of the insolvency of an obligor of any unsecured obligation, the holders of such unsecured obligation will be considered general, unsecured creditors of the obligor and will have fewer rights than secured creditors of the obligor.

Defaulted debt securities and other securities of distressed companies. The Adviser’s investments may include low grade or unrated debt securities (“high yield” or “junk” bonds or leveraged loans) or investments in securities of distressed companies. Such investments involve substantial, highly significant risks. For example, high yield bonds are regarded as being predominantly speculative as to the issuer’s ability to make payments of principal and interest. Issuers of high yield debt may be highly leveraged and may not have available to them more traditional methods of financing. Therefore, the risks associated with acquiring the securities of such issuers generally are greater than is the case with higher rated securities. In addition, the risk of loss due to default by the issuer is significantly greater for the holders of high yield bonds because such securities may be unsecured and may be subordinated to other creditors of the issuer. Similar risks apply to other private debt securities. Successful investing in distressed companies involves substantial time, effort and expertise, as compared to other types of investments. Information necessary to properly evaluate a distress situation may be difficult to obtain or be unavailable and the risks attendant to a restructuring or reorganization may not necessarily be identifiable or susceptible to considered analysis at the time of investment.

General risks of secondary investments. The overall performance of the Adviser’s secondary investments will depend in large part on the acquisition price paid, which may be negotiated based on incomplete or imperfect information. Certain secondary investments may be purchased as a portfolio, and in such cases the Adviser may not be able to carve out from such purchases those investments that the Adviser considers (for commercial, tax, legal or other reasons) less attractive. Where the Adviser acquires a secondary investment, the Adviser will generally not have the ability to modify or amend such investment’s constituent documents (e.g., limited partnership agreements) or otherwise negotiate the economic terms of the interests being acquired. In addition, the costs and resources required to investigate the commercial, tax and legal issues relating to secondary investments may be greater than those relating to primary investments.

Contingent liabilities associated with secondary investments. Where the Adviser acquires an interest in a secondary investment it may acquire contingent liabilities associated with such interest. Specifically, where the seller has received distributions from the relevant secondary investments and, subsequently, that investment recalls any portion of such distributions, the Adviser (as the purchaser of the interest to which such distributions are attributable) may be obligated to pay an amount equivalent to such distributions to such

investment. While the Adviser may be able, in turn, to make a claim against the seller of the interest for any monies so paid to the secondary investment, there can be no assurance that the Adviser would have such right or prevail in any such claim.

Risks relating to secondary investments involving syndicates. The Adviser may acquire secondary investments as a member of a purchasing syndicate, in which case the Adviser may be exposed to additional risks including (among other things): (i) counterparty risk, (ii) reputation risk, (iii) breach of confidentiality by a syndicate member, and (iv) execution risk.

Real estate risks in general. The Adviser's investments may be subject to the risks inherent in the ownership and operation of real estate and real estate related businesses and assets. These risks include, but are not limited to, the burdens of ownership of real estate property, general and local economic conditions, the supply and demand for properties, energy and supply shortages, fluctuations in the average occupancy and room rates for hotel properties, the financial resources of tenants, changes in building, environmental and other laws and/or regulations, changes in real estate property tax rates, changes in interest rates and the availability of mortgage funds which may render the sale or refinancing of properties difficult or impracticable, negative developments in the economy that depress travel activity, environmental liabilities, contingent liabilities on disposition of assets, uninsured or uninsurable casualties, acts of God, terrorist attacks and war and other factors which are beyond the control of the Adviser. There is no assurance that there will be a ready market for resale of investments because investments will generally not be liquid. Illiquidity may result from the absence of an established market for the investments, as well as legal or contractual restrictions on their resale by the Adviser or its investments.

Hedging. The Adviser and its affiliates may employ hedging techniques designed to protect against adverse movements in currency, interest rates or other risks. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while Clients may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, securities prices, currency exchange rates or other factors may result in poorer overall performance than if it had not entered into such hedging transactions.

Currency risk. Clients' investments may be made in a number of different currencies. Any returns on, and the value of such Investments may, therefore, be materially affected by exchange rate fluctuations, local exchange control, limited liquidity of the relevant foreign exchange markets, the convertibility of the currencies in question and/or other factors. A decline in the value of the currencies in which Clients' Investments are denominated against the currency or the relevant Investment Vehicle may result in a decrease in value of that Clients' net assets. The Adviser may not hedge the value of investments made by Clients against currency fluctuations, and even if the Adviser deems hedging appropriate, it may not be possible or practicable to hedge currency risk exposure.

For more detailed information regarding any of the investment vehicles sponsored by the Adviser or its affiliates, please contact Partners Group (USA) Inc. at (212) 908-2600 to request a copy of the relevant vehicle's confidential private placement memorandum.

Item 9 – Disciplinary Information

SEC-registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to an investor's evaluation of an investment adviser or the integrity of the adviser's management team. Neither the Adviser nor any of its executive officers, members of the Adviser Investment Committee or other "management persons" as defined in Form ADV have been subject to legal or disciplinary events related to this Item or are otherwise required to disclose any event required by this Item.

Item 10 – Other Financial Industry Activities and Affiliations

The Adviser may outsource investment analysis, valuation support, finance, accounting and certain investment administrative services to Partners Group AG, an affiliate of the Adviser with the right to further outsource to other affiliates. Partners Group AG is an exempt reporting adviser with the SEC. The Adviser and/or its principal executive officers or senior management are also engaged in providing services to Partners Group AG and other affiliates of the Adviser. These activities may include serving on investment committees, providing research or opinions to affiliates of the Adviser and structuring and/or marketing various private funds or other investment products offered by the Adviser's affiliates. Such investment products may at times be offered to the Adviser's Clients. The Adviser's employees or those of its affiliates may invest alongside Clients in such investment products. Certain employees of the Adviser are registered as representatives of a broker-dealer that is not affiliated with the Adviser.

The Adviser serves as administrator for certain Clients as well as clients of its affiliates. The Adviser may outsource operational aspects of its responsibilities as an administrator to both affiliates as well as third-parties. In instances where the Adviser outsources administrative responsibilities the Adviser and its affiliates monitor such outsourced operations to ensure all applicable laws and regulations are being adhered to by the relevant parties.

As stated in Item 8, Partners Group's portfolio management team allocates prospective investments among Partners Group clients, including those of the Adviser. This creates an inherent conflict of interest among Partners Group clients that the Adviser along with its affiliates mitigate through procedures designed to ensure that all Partners Group clients are treated fairly with respect to allocation of investment opportunities.

As previously stated, the Adviser serves as the investment adviser for the Registered Investment Companies, Partners Group Private Equity (Master Fund), LLC (SEC file number 811-22241) and Partners Group Private Income Opportunities, LLC (SEC file number: 811-23188). Certain of the Adviser's executive officers serve as officers of both Registered Investment Companies.

Partners Group may from time to time offer certain persons, including existing investors, strategic investors or other third parties who have such knowledge and experience in financial and business matters necessary to make them capable of evaluating the merits and risks of the prospective investment ("Eligible Co-Investors") the opportunity to co-invest in particular investments alongside of Partners Group clients, including those of the Adviser, subject to certain restrictions. In each case where Eligible Co-Investors participate in an investment, such Eligible Co-Investors will bear their pro rata share of any expenses associated with such investment as described in Item 5 and will be subject to the same allocation procedures referenced above such that all Partners Group clients are treated fairly.

In allocating co-investment opportunities Partners Group will determine whether an Eligible Co-Investor may participate in any co-investment opportunity by considering certain factors, including but not limited to: expertise of the prospective investor in the industry to which the investment opportunity relates; perceived ability to quickly execute on transactions; tax, regulatory and/or securities law considerations (e.g., qualified purchaser or qualified institutional buyer status); and whether an Eligible Co-Investor agrees to bear their fairly allocable portion of due diligence expenses for deals that they would have invested in but ultimately were not consummated.

In addition to Partners Group's right to permit one or more investors to invest in transactions in which an Adviser Client invests, existing and prospective investors should note that Partners Group may offer co-investment opportunities in its sole discretion and is not expected to offer co-investment to all existing investors. The allocation of co-investment opportunities may involve a benefit to Partners Group including, without limitation, fees and additional investment in investment vehicles managed by Partners Group.

Item 11 – Code of Ethics

In an effort to avoid conflicts of interest and protect its Clients from improper behavior, the Adviser has adopted a Code of Ethics (the "Code") designed to address and prevent potential conflicts of interest as required under Rule 204A-1 under the Advisers Act. The Adviser's Code governs the actions of its employees and seeks to promote an ethical and compliance-oriented environment. The Code is provided to all of the Adviser's supervised persons (which term includes all of the Adviser's employees) upon hire and annually thereafter, with a requirement that each supervised person acknowledge their receipt and compliance to its provisions in writing.

The Code includes, but is not limited to, high standards of business conduct, compliance with federal securities laws, reporting of political contributions, restrictions on the acceptance of significant gifts, pre-clearance of certain personal securities transactions, and reporting of personal investments and outside business activities. The Code is designed to ensure that the personal securities transactions, activities and interests of supervised persons of the Adviser will not materially interfere with both making and implementing investment decisions in the best interest of the Adviser's Clients. Trading by access persons (which term also includes all employees of the Adviser) is monitored by the Adviser's Chief Compliance Officer to reasonably detect and prevent conflicts of interest between the Adviser and its Clients. Furthermore, all access persons are prohibited from trading in public equity or debt securities, and related derivative products, in which products managed by Partners Group are directly invested unless specifically reviewed and approved by the Adviser. Supervised persons who violate the Code or the Adviser's compliance manual are subject to disciplinary action including, but not limited to, written warnings, fines and termination of employment.

The Adviser may at times transact in securities on behalf of its Clients at or about the same time an affiliate of the Adviser transacts in the same security for a client of the relevant affiliate. Such joint transactions create a potential conflict of interest in that the Adviser's affiliate's clients may have investment objectives or may implement investment strategies similar to those of the Adviser's Clients. The Adviser and its affiliates address such conflicts through the independent investment committee/management team processes described in Item 8 above through which the Adviser ensures that the Adviser's Clients are treated fairly and equitably by both the Adviser and its affiliates conducting such securities transactions.

Additionally, the Adviser may at times allocate firm capital to build an investment portfolio for new products in order to establish a track record before bringing such products to market. This creates a conflict of interest in that the Adviser will, until outside investors purchase interests in such products, allocate investments to its Clients as well as these products that initially only have firm capital invested. To mitigate this conflict the Adviser treats such new products in the same manner as any other Private Fund client, subject to the same investment allocation process described above on Item 8 where all Clients of the Adviser receive equitable consideration for investment opportunities that fall within their respective investment objectives.

Further, the Adviser and its affiliates are subject to a firm-wide Conflicts of Interest Directive, which describes the firm-wide approach to identifying, managing, and resolving conflicts of interest both generally and in specific circumstances. This Conflicts of Interest Directive also establishes Partners Group's Conflict Resolution Board which serves as an independent decision-making body should conflicts among Partners Group's affiliates, including the Adviser, require an independent body to resolve the conflict or to further escalate it with the advisory boards or similar bodies of the respective investment vehicles.

The Code is available to Clients and prospective Clients upon written request by contacting the Adviser.

Item 12 – Brokerage Practices

Section 28(e) of the Securities Exchange Act of 1934, as amended, provides a safe harbor that permits investment advisers, when selecting brokers to execute transactions for Client accounts, to take into account certain research products and services provided to such adviser by brokers. Partners Group does not currently engage in soft dollar arrangements.

As stated in Item 5, the investments made by the Adviser on behalf of its Clients are generally in private securities, rather than publicly-traded securities, with the exception of currency hedging options and contracts and the liquidity portfolios of the DC Product and Registered Investment Companies. Partners Group collectively manages trade execution for such investments and Broadly Syndicated Loans, determining how best to execute relevant trading activities authorized and directed by the Adviser Liquid Investment Committee and/or the Adviser BSL Management Team. Further, Partners Group may aggregate trades for the Adviser's Clients along with those of Partners Group clients such that more favorable trade prices can be realized for all clients; all such pricing benefits are allocated among Partners Group clients, including those of the Adviser, on a pro-rata basis.

Partners Group also selects the broker(s) to be used for such transactions subject to Partners Group's best execution standards designed to obtain the best possible result for clients. As Partners Group is involved in a variety of different investment activities, the concept of "best execution" has a varied application depending on the type of investment being made. In terms of its operations, Partners Group primarily distinguishes between private and public markets; Partners Group has implemented policies designed to ensure best execution for investments in each of these categories, as applicable.

With respect to public market transactions, Partners Group will seek best execution by selecting a broker considering not only the cost of transactions conducted with such broker but whether the broker can provide the overall best qualitative execution, taking into consideration numerous factors, including, but are not limited

to market impact, execution speed, certainty and size of the order, responsiveness and overall level of customer service, and the broker's ability to settle trades in a timely manner.

Partners Group prohibits employee compensation or bonus payments being directly related to the number of transactions placed through specific brokers.

Item 13 – Review of Accounts

Client accounts are monitored regularly on various levels; the frequency of each review varies based on the nature of the Client account and on the review being performed. For example, investment limits and restrictions are generally monitored via an internal control system on an ongoing basis and in connection with each new investment and investment performance is generally monitored monthly or quarterly. Various professionals of the Adviser and its affiliates participate in such reviews, from financial analysts to senior management. Additionally, the Adviser's Investment Committee and BSL Management Team review the overall investment objectives, current, and planned portfolios of each relevant Client on a quarterly basis. The Adviser Liquid Investment Committee reviews these factors for the Adviser's clients that invest in publicly traded securities on a weekly basis.

Clients typically receive quarterly and annual written reports that reflect the performance of their respective investments, changes in account value and account activity. The Adviser also publishes a monthly update and account statement for investors in the Registered Investment Companies. Additional information regarding the Registered Investment Companies is also available to the public in the annual and semi-annual reports filed with the SEC.

Item 14 – Client Referrals and Other Compensation

The Adviser and its affiliates do not compensate other persons for client referrals. However, the Adviser may compensate other persons for distribution and/or servicing activities with respect to the Registered Investment Companies or certain Private Funds. The existence of such compensation arrangements is fully disclosed to all investors in the respective Registered Investment Companies' offering documents.

Item 15 – Custody

The Adviser's Clients' underlying investors may receive quarterly statements from the qualified custodian that holds and maintains a portion of the Client's investment assets. The Adviser urges Clients to carefully review such statements and compare such official custodial records with any statements or reports the Adviser may provide a Client. The Adviser's statements may vary from official custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities or investments. Clients with questions relating to any statements or reports are encouraged to contact the Adviser.

Item 16 – Investment Discretion

The Adviser usually receives discretionary authority from a Client at the outset of an advisory relationship to select the securities to be bought and sold, and the amount to buy or sell. In all cases, however, such discretion is to be exercised in a manner consistent with (i) the stated investment objectives for the particular Client as expressed in the Client's agreement with the Adviser, and (ii) applicable law. Where practical the Adviser's Clients provide the Adviser with a power of attorney in order to execute investment related documents on their behalf.

Item 17 – Voting Client Securities

Partners Group has retained Glass, Lewis & Co., as the firm's proxy voting agent. Absent special Client circumstances, Client policies or instructions, Glass, Lewis & Co. will generally vote on Partners Group behalf in accordance with the firm's corporate governance principles and in furtherance of maximizing shareholder value. These principles are not intended to provide strict guidelines, but rather how Partners Group typically approaches core aspects of corporate governance in its investments.

Additionally, with respect to the wide variety of social and corporate responsibility issues that may be presented, Partners Group's general policy is to take a position that supports policies that are designed to protect and promote the economic value of the issuer. Where proxy votes cannot be exercised, Partners Group shall apply such principles to the extent applicable.

Conflicts

Where a conflict of interest is identified in relation to a proxy vote, then the relevant investment committee shall refer the matter to Partners Group's Conflict Resolution Board. When resolving conflicts of interest, the Conflict Resolution Board shall make its decision, on a case-by-case determination, taking all available facts and its obligations from a regulatory perspective into consideration.

Investors may obtain a copy of the Adviser's complete proxy voting policies and procedures and obtain information regarding how any proxies were voted upon written request.

Item 18 – Financial Information

The Adviser does not require the payment of management fees or other compensation six months or more in advance. There exists no financial condition of which the Adviser is currently aware that would impair the Adviser to meet contractual commitments to its Clients.

Item 19 – Requirements for State-Registered Advisers

The Adviser is not registering, nor is currently registered, as an investment adviser with any state securities authorities.