

CRESSEY & COMPANY LP

Environmental, Social, and Governance (ESG) Policy

Adopted March 2018; Updated April 2021 and May 2023

Cressey & Company, LP (“Cressey” or the “Firm” or “We”) strives to help strong healthcare businesses achieve outstanding growth, and we believe that avid Environmental, Social, and Governance (“ESG”) management can fuel this growth, mitigate risk, and drive value creation. Therefore, we are committed to upholding the values of responsible investment and considering ESG issues in making investment decisions and implementing portfolio company ownership practices. In furtherance of this commitment, Cressey intends for this policy (this “ESG Policy”) to guide its consideration of material ESG issues throughout the investment process, consistent with and subject to any applicable legal, regulatory, fiduciary, or contractual duties.

Cressey’s top priority is to mitigate ESG-related risks that may have a negative impact on our firm, investors, and portfolio company partners. As institutional investors, we have a duty to act in the best long-term interests of our beneficiaries and believe that ESG issues can affect the performance of investment portfolios. To further our commitment, Cressey signed the United Nations Principles for Responsible Investment (“UN PRI”) in April 2021. Cressey strives to align to the UN PRI to drive its investment decisions and internal practices, as outlined in this ESG Policy and referenced on Appendix 1. In recognition of the evolving nature of ESG best practices, we will review and revise this ESG Policy over time, as appropriate, but at least annually.

I. ESG in Investment Process

Cressey partners with a dedicated ESG advisor to perform ESG diligence on all majority platform investments. Where appropriate, we complement ESG diligence with deeper functional workstreams, engaging dedicated cybersecurity and regulatory diligence advisors, as appropriate. ESG diligence findings are incorporated into investment committee materials and considered at all stages of the investment process, with Cressey investment professionals ultimately responsible for ESG risk management and opportunity identification during investment evaluation. In cases where Cressey is a minority investor, we work with the majority sponsor, if applicable, and as we deem necessary, to strive to ensure ESG diligence is conducted and may perform an internal lighter touches ESG review based on available information.

II. ESG Stewardship During Ownership

Cressey seeks to engage with our portfolio companies post-close to increase awareness of ESG considerations, manage portfolio ESG risks and capitalize on value creation opportunities throughout the investment period. For our majority-owned platform investments, we encourage the board of directors (or equivalent governing body) for the portfolio companies to form an Audit, Quality, and Compliance Committee (“AQCC”), to interact with outside auditors and other advisors independent of management. These periodic, third-party audits and our subsequent engagement on identified areas for improvement are designed to help bolster portfolio companies’ policies, procedures, and accountability structures, overlapping with material ESG issues such as ethics, patient quality of care, and employee engagement. Cressey also engages a third-party ESG

advisor to monitor ESG performance annually across all portfolio majority-owned platform investments. This review includes an updated assessment of each company's ESG risk exposure and programmatic capacity, accounting for regulatory, market, and operational changes, including new and/or changed material ESG considerations. Progress on ESG recommendations made during diligence is tracked year over year to assess outstanding capacity gaps and new recommendations are made to advance each company's improvement in managing ESG considerations. Results of this monitoring review are shared with portfolio companies and Cressey team members; relevant ESG considerations and initiatives, including trends of employee engagement, and workforce culture are regularly incorporated into portfolio company board-level discussions, as appropriate.

III. ESG Issues Considered

In its investment diligence and stewardship processes, Cressey considers ESG topics material to the target's sector, operations, geography, and market positioning. In view of our healthcare investment focus, we have identified common ESG issue areas material for most of our healthcare investments, including, but not limited to:

Patient Quality of Care: A company's ability to promote high quality standards of patient care and ensure ethical patient interactions, particularly with more vulnerable patient populations.

Ethics and Compliance: A company's ability to maintain strong corporate governance, including existing controls and trainings to prevent kickbacks, conflicts of interest, and fraud, covering both general business ethics concerns and those prevalent in the healthcare industry.

Data Privacy and Security: A company's ability to sufficiently protect sensitive data (e.g., Protected Health Information) and maintain compliance with applicable privacy regulations (e.g., HIPAA).

Diversity, Equity, and Inclusion: A company's ability to maintain a safe and inclusive workplace free of discrimination and harassment, including any initiatives to promote diversity and inclusion in the workplace, particularly where this can drive cultural competency in serving the company's patient populations.

Social and Labor Conditions: A company's capacity to adequately engage its workforce, limit higher employee turnover commonly seen in the healthcare industry, and ensure labor law compliance by supporting fair working conditions and the employee value proposition.

Climate Change: A company's exposure to physical and transition-related risks associated with climate change, including extreme weather events impacting care facilities and regulations associated with emissions management.

Environmental Management: A company's ability to prevent and respond to adverse environmental impacts (e.g., spills, leaks, biohazard waste) and meet environmental regulatory compliance obligations including the use and storage of hazardous and medical materials.

Worker Health and Safety: A company's ability to ensure a emotionally safe workplace for all employees and limit incidents of workplace injury (e.g., handling sharps), in compliance with regulatory safety requirements.

However, Cressey may determine that certain of these risks are not likely to be material or that additional ESG risks may be material, based upon the geography or history of an investment target, its particular sub-sector focus or other considerations we deem relevant. Further, Cressey may apply ESG focus area considerations on a company-by-company basis.

IV. Accountability and Transparency

Accountability

Cressey is dedicated to the inclusion of ESG in its investment management and internal practices. To ensure firm-wide ESG accountability and oversight, Cressey maintains a dedicated ESG Committee. The ESG Committee is responsible for reviewing internal ESG considerations on a quarterly basis, while portfolio-level ESG decisions are reviewed by the Investment Committee. The ESG Committee is responsible for the development, implementation and oversight of this ESG Policy and will be empowered to propose updates or enhancements for consideration.

Education

To support the integration of the principles set forth in this ESG Policy, we seek to enhance the ESG management capacity of our team by conducting ESG training, including with respect to maintaining due diligence memoranda, annual portfolio evaluations and such other documentation that reflect the implementation of this ESG policy, as part of Cressey's annual compliance training program and making this ESG Policy available to our team. When we determine that additional expertise is necessary for successful ESG management, we engage specialized external consultants to assist in our efforts, helping us identify any skills gaps and stay abreast of the latest ESG developments. Ongoing training supports internal awareness of our responsible investment commitments and is designed to ensure that our team has the information and tools required to meet these commitments.

Reporting

Our primary stewardship objective is to maximize the overall value of Cressey funds to our investors. We commit to being transparent with our investing partners in our ESG management practices. As such, Cressey includes dedicated ESG content in our annual general meeting (AGM) materials and, where appropriate, notifies investors of material ESG-related risks or incidents as we become aware of them and such notice may also describe resolutions and plans designed to ensure that similar future incidents are avoided, as considered appropriate.

V. Investment Screening

Given our investment strategy, applicable legal requirements and commitments made to our investors, Cressey does not expect to invest in companies that are primarily focused on the following industries:

Alcohol
Adult Entertainment

Fast Food
Fossil Fuel Production

Gambling
Munitions

Private Prisons
Tobacco

For the avoidance of doubt, the foregoing shall not apply with respect to a company not described above that provides products or services to a customer of the type describe above.

VI. Firm-Level ESG Initiatives

Beyond working with our partners to enhance ESG management, Cressey is committed to addressing firm-level ESG risks and opportunities that arise in the normal course of our internal operations. We strive to make a positive and lasting impact in the communities in which we operate, including through our Cressey Cares foundation.

Ethics and Compliance: Cressey’s compliance program is supervised by a designated Chief Compliance Officer. We maintain a written Compliance Program that sets standards for employee behavior and processes for overseeing the Firm’s activities and undertake annual compliance training. Cressey’s Compliance Policies and Procedures are designed to prevent, detect, and promptly correct any violations.

Diversity, Equity, and Inclusion (DEI): We believe that a diverse team and an inclusive culture are foundational to the success of our firm and our investments. Cressey’s DEI sub-committee is responsible for developing and reviewing our internal initiatives, drivers, and regulatory changes related to DEI. Please reference Cressey’s DEI Policy in Appendix 2 for more details on Cressey’s commitment to diversity and inclusion.

Social and Labor Conditions: To attract and retain talent, Cressey promotes employee engagement and well-being through a strong firm culture and competitive compensation packages, including paid parental leave and other full suite of benefits, including flexible spending arrangements, gym memberships, where applicable, etc.

Data Privacy and Security: Cressey is committed to safeguarding data through a comprehensive cybersecurity program, documented in a Cybersecurity and Incident Management & Response Plan. Key elements include access controls, bi-annual cybersecurity training across the firm, periodic phishing tests, annual penetration testing, and a designated Incident Management Team.

VII. Scope and Limitations

This ESG Policy is intended to reflect Cressey’s general framework for managing ESG considerations through the lifecycle of majority-owned platform investment. Cressey’s ability to influence and exercise control over the companies in which Cressey funds invest will vary depending on the investment structure and terms. In cases where Cressey determines it has limited ability to conduct diligence or to influence and control the consideration of ESG issues in connection with an investment, whether at the investment or at the fund-level, Cressey will only apply those elements of this ESG Policy that it determines to be practicable.

For the purposes of this ESG Policy, “material” ESG issues are defined as those issues that Cressey determines have—or have the potential to have—a material impact on an organization’s

going-forward ability to create, preserve or erode economic value, as well as environmental and social value, for that organization and its stakeholders.

Cressey adopted this policy in March of 2018; thus this ESG Policy does not apply to any investments made prior to that adoption date.

Appendix 1

Principles for Responsible Investment

Where consistent with Cressey's fiduciary responsibilities, we commit to the following:

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.