

STRUCTURED CAPITAL STRATEGY ENVIRONMENTAL, SOCIAL, AND GOVERNANCE POLICY

ESG Policy Est. 2020

Harvest Partners SCF, LP has striven to act as a responsible global citizen since its inception. Consistent with providing the best possible returns to our investors, we believe a genuine commitment to the highest standards of business practices and ethics is essential. By considering environmental, social, and corporate governance (“ESG”) factors into the investment decision-making process, it is our belief that we are building a long-term, sustainable, strategy and creating value for our portfolio companies and shareholders.

In developing our ESG policy, we have considered a range of industry standards, including the United Nations Principles for Responsible Investment, the UN Global Compact, and the American Investment Council’s Guidelines for Responsible Investment.

ESG Guiding Principles

As a non-control investor, we strive to integrate the following ESG considerations into our investment decision and portfolio oversight processes, where applicable, as well as our internal ESG management:

- *Climate Change:* The identification and mitigation of both physical and transition risks that arise as a result of climate change will enable our portfolio companies to become more resilient, sustainable, and productive
- *Environmental Impact:* By minimizing and properly managing the environmental impact of raw materials in their operations, companies enjoy long-term cost-savings and may benefit from improved relations with regulatory bodies and local communities.
- *Diversity and Equal Employment Opportunity:* Diversity in the workplace fosters greater innovation, while equal employment opportunity protections uphold the values of equal treatment and opportunity for all.
- *Social and Labor Conditions:* By engaging and maximizing the potential of its human capital, a company can reduce unwanted employee turnover and realize improvements.
- *Worker Health and Safety:* A company has a significant responsibility to its workforce to ensure employee protection from occupational safety and health risks in operations.
- *Supply Chain Compliance:* Companies can extend their values to all parts of their operations, including their supply chains, by procuring inputs from sources that responsibly manage labor and safety risks.
- *Data Privacy and Security:* Consumers increasingly expect companies to safeguard their personal data and other sensitive information. Adherence to stringent information security standards upholds company obligations to customers and regulatory bodies.
- *Product Safety and Integrity:* Confidence in the safety and quality of a company’s products prevents costly penalties and bolsters a company’s reputation.
- *Anti-Bribery and Corruption:* Anti-bribery and corruption diligence improves companies’ capacity to prevent incidents that may arise from operations in countries at risk of bribery and corruption, preserving reputational capital and avoiding regulatory fines.
- *Ethics and Compliance:* Ethics and compliance standards serve to prevent conflicts of interest and other appearances of ethical impropriety that may otherwise place companies at risk, especially in engagements with U.S. government entities.

ESG Incorporation

In executing the above ESG Principles, our Investment Professionals shall strive to:

- Conduct ESG focused due diligence to identify and address risks and opportunities that are material to the operational and financial performance of our portfolio companies.
- Monitor portfolio companies at least annually to track progress on ESG issues that have already been identified and to be alert to new issues.

In executing the above ESG Principles, Senior Leadership shall strive to:

- Set ESG policy at the firm level and for the investment process.
- Provide training on Harvest's ESG protocols and procedures to investment professionals to align policy commitments and the investment process.