

AVISTA CAPITAL PARTNERS ESG INVESTMENT POLICY

Avista Capital Partners ("Avista") believes in responsible investing practices. Avista recognizes that environmental, social, and governance (ESG) issues may affect investment performance and that the effective management of ESG issues can create better risk-adjusted returns for our investments. In formalizing our commitment to ESG management, Avista intends this policy to define a set of principles that will guide our consideration of material ESG issues throughout every investment process, as fiduciary duty requires. Avista recognizes that industry guidelines and best practice in managing ESG issues will continue to evolve. As such, we periodically review this ESG Investment Policy and all applicable elements of our ESG program to make appropriate changes.

As a signatory of the United Nations Principles for Responsible Investment (UN PRI), Avista aligns its investment practices with the Six Principles for Responsible Investment, outlined in Appendix A. Avista also aligns with the industry guidelines set forth in the Private Equity Growth Capital Council ("PEGCC") Guidelines on Responsible Investment set forth in Appendix B. Finally, Avista has joined the Institutional Limited Partners Association's (ILPA) Data Convergence Project to aid in standardized and benchmarking portfolio ESG data, with our consequent new KPI collection practices reflected in the ESG Stewardship section of this Policy.

I. Scope and Limitation

This Policy is intended to reflect Avista's general framework for managing ESG issues through the lifecycle of an Avista-sponsored fund investment. Avista's ability to influence and exercise control over the companies in which Avista funds invest will vary depending on the investment structure and terms. In cases where Avista 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, Avista will only apply those elements of this Policy that it determines to be practicable. Examples of such cases at the investment-level include where a fund is a minority shareholder, has limited governance rights or where other circumstances affect Avista's ability to assess, set or monitor ESG-related performance goals. Examples of such cases at the fund-level include situations where an underlying investor maintains significant influence over relevant investment decisions, or where the fund is a lender with no indicia of influence or control.

For the purposes of this Policy, "material" ESG issues are defined as those issues that Avista 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.

II. Governance and Education

In 2021, Avista designated an internal ESG Committee to maintain accountability for the Firm's ESG program. The ESG Committee meets quarterly to ensure that ESG considerations are integrated into Board discussions at the portfolio company level, ensure ESG diligence is conducted on all applicable investments, and assess potential updates to Avista's ESG practices. ESG Committee members include Amanda Heravi, Managing Director and Head of Investor Relations & Director of ESG; David Burgstahler, Managing Partner and CEO; Joshua Tamaroff, Partner; and Garrett Lustig, Principal. Avista plans to periodically reevaluate ESG Committee membership to ensure representatives cover the breadth of Avista's portfolio.

Avista promotes ongoing ESG education for all our investments professionals. All Avista investment professionals are provided with this ESG Policy at onboarding and required to undergo annual ESG training to promote ongoing awareness of Avista's broader ESG program. This training may be

conducted internally or led by third-party advisors. In addition to Avista program elements, key ESG trends and considerations material for the broader healthcare industry are discussed.

III. Exclusions List

Avista has identified a select number of industries that do not align with our values and investment goals. New investments will not be made in the following areas:

Alcohol	Adult Entertainment	Fast Food
Fossil Fuel Production	Gambling	Munitions
Nuclear Energy	Private Prisons	Tobacco

IV. Pre-Investment ESG Due Diligence

Partnering with third-party ESG advisors, Avista performs thorough, pre-sign ESG due diligence on all majority investments and platform acquisitions, tailored to a target's specific business operations and risk profile. For minority investments, Avista works with the company's majority sponsor to ensure that ESG topics are appropriately considered and, when deemed appropriate, may conduct brief ESG screens during our own diligence process. Material ESG risks are evaluated at every step of the investment committee process: Avista deal teams surface areas of ESG focus in initial memos; key findings from third-party ESG diligence reports are incorporated into subsequent memos and investment committee workshops. Post investment close, ESG findings and recommendations are shared with the company and the investment team continues to discuss and address ways to promote ESG risk mitigation and value creation with portfolio companies throughout the hold period.

V. Issues Considered in ESG Diligence and Ownership

Avista considers all material ESG risks and opportunities that are applicable for an investment's specific operations, with careful consideration of geography-based norms and laws. Below is a non-exhaustive list of the considerations common for Avista's healthcare-focused investments:

Ethics and Compliance	Data Privacy and Security	Social and Labor Conditions
Diversity and Inclusion	Environmental Management	Climate Change

VI. ESG Stewardship During Ownership

During the hold period, Avista endeavors to work with its portfolio companies to increase awareness of ESG issues, mitigate ESG risks, and create value through ESG opportunities. We implement this commitment by partnering with portfolio company management teams to ensure that each company complies with the applicable laws, regulations, and best practices of the jurisdiction in which it operates with respect to environment, health and safety, human rights, labor issues, community impact, and corporate governance.

Partnering with third-party ESG advisors, Avista monitors ESG performance across all portfolio majority investments on an annual basis. This review includes an updated ESG risk assessment to account for regulatory and market changes, as well as changes to the portfolio company's operations. Progress on ESG recommendations made during initial due diligence and subsequent years of monitoring is tracked during this process, and new recommendations may be made as a portfolio company's risk profile evolves and new ESG opportunities arise. Results of this monitoring review are shared with portfolio companies, as well as Avista investment team members, and incorporated into quarterly Board discussions and Avista's Annual Report. Avista's engagement with portfolio companies on key ESG issues is tailored to each portfolio company's ESG risk profile, size and level of programmatic maturity, and other operational and financial goals.

As of 2022, Avista has begun to collect a standard set of ESG KPIs across the portfolio as part of the aforementioned monitoring process. This step is intended to promote standardization of ESG considerations, increase transparency surrounding key ESG issues, and allow for more thorough trend analysis across portfolio companies and over time. Avista has selected KPIs tailored to its healthcare sector focus, highlighting both outcome (e.g., employee voluntary turnover rates) and programmatic/process (e.g., percentage of employees completing HIPAA trainings) data. As a signatory of the ILPA Data Convergence Project, Avista also collects the KPIs selected by the initiative across the portfolio. Avista may collect an abridged set of ESG KPIs for its minority investments, in collaboration with the majority sponsor.

Avista monitors and discusses ESG risks and opportunities with its management teams on a quarterly basis at Board meetings, and internally as an investment team with the ESG committee on a quarterly basis. Avista convenes a portfolio executive council, comprised of portfolio company CEOs, at least once per year to discuss and share best practices around key operational issues, including ESG topics such as workforce diversity and cybersecurity.

VII. Accountability and Transparency

Avista strives to create accountability within the organization and transparency to our Limited Partners and the public on our approach to and assessment of ESG issues. We implement this commitment by reporting on ESG management to Limited Partners on an annual basis, including updates to our ESG program, planned initiatives for the upcoming year, summaries of the portfolio annual monitoring process, and key highlights. These ESG updates are integrated into our broader annual reporting disclosure as Avista recognizes that ESG considerations are integral to portfolio company operations and financial performance. Avista also notifies Limited Partners of material negative portfolio company ESG incidents that are likely to result in additional scrutiny for the investor, when appropriate and deemed necessary.

VIII. Firm-Level ESG Initiatives

Avista's internal operations are subject to many of the same ESG risks and opportunities as our potential investments, including data privacy and security, ethics and compliance, social and labor conditions, and diversity and inclusion. Just as we work with our portfolio companies to manage ESG risks and opportunities, we incorporate ESG considerations into our daily operations.

- **Ethics and Compliance:** Avista's compliance program is supervised by Ben Silbert, Managing Director and General Counsel, Chief Compliance Officer & Chief Administrative Officer at Avista. We maintain a written Compliance Program that sets standards for employee behavior and processes for overseeing the Firm's activities, including matters such as conflicts of interest, advertising and marketing, insider trading, and proper recordkeeping. Employees are trained on Avista's compliance policies at onboarding, annually, and as otherwise needed. In alignment with our broader conflicts of interest policy, Avista also works to mitigate any conflicts should they arise in relation to its broader ESG program.
- **Data Privacy and Security:** Avista maintains a documented cybersecurity framework which provides guidance to employees on sensitive data collection and destruction, password and clean desk policies, and multi-factor authentication for all Avista applications. This guidance is supplemented with a detailed incident response plan tailored to Avista's data storage practices and team responsibilities. Avista engages a third-party IT security consultancy to continuously monitor our systems and assist in the event of a breach. We have appointed an internal Chief Cybersecurity Officer,

Abbey Schoenhaus, to ensure these policies are appropriately operationalized, and to train our team on these on an annual basis.

- **Diversity and Inclusion:** Avista established a Diversity and Inclusion (D&I) Task Force in Spring of 2020 to help develop and implement Avista’s D&I strategy across the firm and our portfolio companies. The committee is co-chaired by Chairman Tom Dean, and Partner Sriram Venkataraman, and consists of six members across the investment and operations teams. The Task Force meets monthly and sets annual goals, reported on internally. To date, the D&I Task Force has enacted a range of initiatives including the formation of a CEO Council to share D&I best practices at the portfolio level. At the firm level, the Task Force has introduced unconscious bias training, an employee mentorship program, and community service events. To promote and formalize Avista’s internal commitment to diversity and inclusion, Avista’s leadership team also became signatories of the CEO ACT ON Pledge for Diversity & Inclusion—the largest CEO-driven business commitment to advance D&I in the workplace.
- **Social and Labor Conditions:** Avista seeks to develop and retain top talent, while creating a supportive and engaged firm culture. We offer employees competitive compensation, bonus opportunities, and a benefits package that includes paid parental leave. We continuously evaluate our engagement initiatives, potential new employee feedback mechanisms, and professional development opportunities for our team.

Appendix A: UNPRI Six Principles of Responsible Investment

- 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 disclosures 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.

Appendix B: PEGCC Guidelines for Responsible Investment

The Private Equity Growth Capital Council membership has adopted a set of comprehensive responsible investment guidelines that they will apply prior to investing in companies and during their period of ownership. The guidelines cover environmental, health, safety, labor, governance and social issues. The guidelines call for PEGCC member firms to:

1. Consider environmental, public health, safety, and social issues associated with target companies when evaluating whether to invest in a particular company or entity, as well as during the period of ownership.
2. Seek to be accessible to, and engage with, relevant stakeholders either directly or through representatives of portfolio companies, as appropriate.
3. Seek to grow and improve the companies in which they invest for long-term sustainability and to benefit multiple stakeholders, including on environmental, social and governance issues. To that end, Private Equity Council members will work through appropriate governance structures (e.g. board of directors) with portfolio companies with respect to environmental, public health, safety, and social issues, with the goal of improving performance and minimizing adverse impacts in these areas.
4. Seek to use governance structures that provide appropriate levels of oversight in the areas of audit, risk management and potential conflicts of interest and to implement compensation and other policies that align the interests of owners and management.
5. Remain committed to compliance with applicable national, state, and local labor laws in the countries in which they invest; support the payment of competitive wages and benefits to employees; provide a safe and healthy workplace in conformance with national and local law; and, consistent with applicable law, will respect the rights of employees to decide whether or not to join a union and engage in collective bargaining.
6. Maintain strict policies that prohibit bribery and other improper payments to public officials consistent with the U.S. Foreign Corrupt Practices Act, similar laws in other countries, and the OECD Anti-Bribery Convention.
7. Respect the human rights of those affected by their investment activities and seek to confirm that their investments do not flow to companies that utilize child or forced labor or maintain discriminatory policies.
8. Provide timely information to their limited partners on the matters addressed herein, and work to foster transparency about their activities.
9. Encourage their portfolio companies to advance these same principles in a way which is consistent with their fiduciary duties.