



Table of Contents

01Purpose

02

Scope

03 Vision

04 Values

05

Commitment

06

Objectives

07

Sustainability Focus Areas

80

Integrating Responsible **Investment Practices**

09

Limitations

on PURPOSE

The purpose of this policy (this "Responsible Investment Policy" or this "Policy") is to describe the approach used by TorQuest Partners (together with its affiliated entities, as the context requires, "TorQuest", the "Firm" or the "Company") for integrating sustainability considerations, such as financially material environmental, social and governance ("ESG") factors, into the Company's investment activities and business operations, including in its capacity as general partner or similar for its investment funds under management.

This Policy serves as an appendix to the Firm's Compliance Manual and Code of Ethics, as the same may be updated from time to time.

02 SCOPE

This Policy applies to all employees, officers, directors, partners and senior management personnel (collectively, "employees") of TorQuest and informs how the Company and its employees:

- **01** assess investment opportunities
- 02 engage partners and stakeholders
- **03** manage operations
- **04** interact with portfolio and investee companies

03 VISION

TorQuest believes that evaluating sustainability considerations — both at the firm level and in assessing potential investments — can help identify risks and opportunities relevant to long-term fund performance. Responsible investment practices provide an additional lens for identifying risks, uncovering opportunities, driving innovation and creating long-term value.

This Responsible Investment Policy serves to support TorQuest's vision to be the most desired Canadian private equity firm for global investors, businesses and our people.





TorQuest is a highly principled organization with a culture of doing what is right, treating people with respect and always living up to its values.

Creativity

Solutions developed in an entrepreneurial manner





Integrity

Doing the right thing; always building trust and respect

Partnership

Commitment to bettering the whole





Humility

Respect for others' opinions; acting absent of ego

Excellence

Being accountable to the highest standards and a tenacious pursuit of results





Discipline

Using logic and analytical rigour to make sound judgements consistent with strategy

05 COMMITMENT

In 2022, TorQuest became a signatory to the Principles for Responsible Investment ("PRI" or "the Principles"), one of the world's leading proponents of responsible investment. PRI guides the Firm's responsible investment practices and reflects its commitment to a sustainable global financial system.





The six Principles for Responsible Investment are:

01

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

03

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

05

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

02

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

04

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

06

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

06 OBJECTIVES

Sustainability factors, such as financially material ESG risks and opportunities, often affect investment performance, and TorQuest believes that the effective management of these factors aligns with its objective of generating long-term value for its investors.

Responsible Investment

Strive to foster good governance in every stage of our investment process.

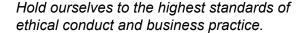
TorQuest recognizes the critical role that responsible investment practices play in building resilient, future-ready businesses. This approach enables us to craft more adaptable, long-term strategies for our portfolio and investee companies.

Sustainability

Take a long-term view and behave in a manner that recognizes the impact of our decisions on future generations and the planet.

Sustainability considerations are relevant across diverse geographies, industries and markets, and they extend across every stage of the investment lifecycle. A focus on sustainability can lead to more efficient use of resources and drive down costs, while offering key insights into product development, innovation and new ways of attracting talent, investment and customers, which are fundamental priorities for any business.

Accountability



We understand the responsibility that comes with managing our investors' capital and controlling or influencing business decision-making at our portfolio and investee companies — and we take that responsibility seriously.

Respect

Support the potential of every human being to drive successful outcomes.

TorQuest fundamentally believes private equity is about people, not transactions. Teams with diverse backgrounds, experiences and ideas make better decisions. We strive to be an inclusive employer and are committed to eliminating racism where we live and work.

Consistent with its fiduciary duties, TorQuest encourages its portfolio companies and investment partners to advance these same objectives.

of Sustainability focus areas

TorQuest is one of Canada's original and preeminent private equity firms, founded in 2002. The Firm has a long-established and highly successful middle-market investment and operating strategy that has led to a track record of success over numerous cycles and across multiple industries.

We have deep expertise across industries, including Food & Beverage, Building Products, Consumer Products, Media & Live Events, Specialty Chemicals & Ingredients, Industrial & Business Services, Transportation, Logistics & Infrastructure, and Industrial Products.

The table below presents the most common financially material environmental, social and governance considerations for our portfolio.







Child Labour



Environmental Sustainability

Potential Risk from Climate Change

TorQuest seeks to reduce the adverse environmental impacts of its investment decisions and own-business activities. Through appropriate governance structures — for example, a board of directors or equivalent — the Firm works with its portfolio companies to monitor environmental outcomes, strengthen risk management practices, increase energy and resource efficiency, and identify innovative partnerships and technologies.

During due diligence, we engage specialty environmental advisors to assess compliance, liabilities and opportunities associated with each potential investment.

In asset management, TorQuest measures sustainability performance across select portfolio companies, which includes an assessment of absolute greenhouse gas ("GHG") emissions and carbon intensity.

Potential Risk from Climate Change

Climate change presents diverse challenges and opportunities for the private equity industry. TorQuest's responsible investment approach includes consideration of climate-related factors, such as the likelihood and potential impacts of weather-related events, new or enhanced regulatory requirements, and differing supply chain risk exposures. In accordance with its fund documentation, TorQuest also does not make investments directly in interests in oil, gas or mineral rights or commodities, or in issuers where their primary business is in these areas.



Social Responsibility

TorQuest respects the dignity and human rights of those affected by its investment activities. TorQuest complies with applicable national, provincial or state, and local labour laws where it invests, supports competitive employee pay and benefits, and provides a safe and healthy workplace in conformance with national and local law. TorQuest respects the rights of employees to decide whether to join a union and engage in collective bargaining, consistent with local law. For each investment, TorQuest assesses a range of potential stakeholder impacts, including labour practices and compliance, community relations, and product quality and safety.



Good Governance

TorQuest is committed to acting with integrity and being responsive and accountable to its investors and business partners. TorQuest

uses governance structures and processes that provide appropriate levels of oversight in the areas of audit, risk management, and actual, potential or perceived conflicts of interest and, when appropriate, implements compensation and other policies that align the interests of owners and management. In businesses where there are elevated environmental and social concerns. TorQuest pursues outside directors with the requisite experience to help ensure sustainability matters receive appropriate expertise, scrutiny and oversight.

Potential Risk from Supply Chain

TorQuest's responsible investment approach includes assessing the risks of forced labour and child labour in supply chains. If an investment is approved by the Firm's Investment Committee, the relevant investment professionals are responsible for ensuring that any potential sustainability-related risks are clearly identified and appropriately monitored post-closing. These considerations extend to monitoring and oversight of supply chain and contractors, as well as seeking to confirm that an investment does not flow to companies that use child or forced labour or maintain discriminatory policies.

TorQuest complies with the Government of Canada's annual reporting requirements under the Fighting Against Forced Labour and Child Labour in Supply Chains Act, which requires us to describe our specific approach to assessing, preventing and mitigating the risks of forced labour and child labour in our supply chains.

Responsible Investment Policy | 9 8 | Responsible Investment Policy -

1NTEGRATING RESPONSIBLE INVESTMENT PRACTICES

TorQuest considers sustainability factors across the investment lifecycle.



Investment Decisions

For every transaction where TorQuest is the controlling shareholder, the Company takes a holistic approach to assessing value and risk through a responsible investment lens — in origination, due diligence and deal execution.

Financially material ESG risk and opportunity areas are identified and assessed by the relevant investment professionals during origination discussions and due diligence activities. TorQuest uses a standardized ESG due diligence approach on every transaction to ensure relevant sustainability topics are considered. Where additional subject matter expertise is appropriate, investment teams use external consultants, advisors and other resources to help mitigate risks and assess value creation opportunities.

Key findings are documented in a comprehensive memorandum presented to and deliberated by the Firm's Investment Committee in the course of approving the investment.



Asset Management

TorQuest seeks to support each of its portfolio companies to pursue sustainability practices calibrated to their specific industry and unique operating environment. As part of the Company's wider efforts to help management teams grow and enhance their companies, TorQuest seeks to exit each company leaving it more sustainable than when TorQuest first invested. In TorQuest's view, this approach can support value creation and prudent risk management for the benefit of its investors.

During asset onboarding and management, TorQuest engages with and monitors the performance of portfolio companies through a combination of industry- and business-specific metrics, such as guidance from the Sustainability Accounting Standards Board and observations of peer benchmarks, as well as sector-agnostic metrics, such as key performance indicators aligned to the ESG Data Convergence Initiative. Example metrics include GHG emissions, health and safety performance, job growth and employee engagement.

TorQuest proactively considers evolving international standards, peer practices and investor feedback. As noted, TorQuest is a signatory to the Principles for Responsible Investment and participates in annual reporting to assess the effectiveness of the Firm's approach. TorQuest also works with a range of other stakeholders most often our investment partners and other private equity industry participants, such as the Canadian Venture Capital & Private Equity Association — to identify leading practices and key trends in responsible investment.



Company Operations

TorQuest embeds sustainability in day-today office activities, external and investor relations, and talent attraction, retention and development. Workplace-related sustainability initiatives at TorQuest are directed by Firm management.

The Company's Compliance Manual and Code of Ethics, along with the Human Resources Policies & Procedures Manual, outline the expectations of employee behaviour and compliance, including detailed guidance on business conduct, conflicts of interest, political contributions, whistleblower mechanism and workplace harassment.

TorQuest's investment professionals are responsible for integrating this Responsible Investment Policy and supplemental guidance into their work, including investment opportunities that are considered by the Investment Committee and workplace initiatives directed by firm management. Updates to TorQuest's approach to responsible investing are made when required or appropriate.

Culture

TorQuest fundamentally believes private equity is about people, not transactions. We work each day to build great businesses by establishing close partnerships, founded on respect and integrity, to consistently deliver abovemarket returns on invested capital.

TorQuest is a highly principled organization with a culture of doing what is right, treating people with respect and always living up to the values we have identified and hold dear. We believe that our ability to be a Canadian market leader is a direct result of these actions.

TorQuest employees are heavily involved in our community. Despite the added effort and time away from our families, we believe that giving back is just as important as any financial successes we may have as a firm. We further believe our Firm's success is to a great extent enhanced as a result of these efforts

in our community and that the quality of our brand is directly related to these endeavors.

Talent attraction, development and retention

TorQuest supports industry efforts to broaden the talent pool for the investment community. Our **Diversity & Inclusion Policy further** describes TorQuest's strategic approach to attract, develop and retain a diverse team of employees.

10 | Responsible Investment Policy Responsible Investment Policy | 11

09 LIMITATIONS

This Responsible Investment Policy is at all times subject to, and to be interpreted in accordance with, the provisions of the applicable limited partnership agreements and/ or private placement memorandums (or similar) of the funds concerned and to the duties of TorQuest under applicable law as a fiduciary on behalf of all of the partners of its investment funds.

The responsible investment values, objectives and procedures described in this Policy were formalized in the course of TorQuest's adoption of its updated ESG Policy in January 2022 and applied to all platform investments undertaken by the firm and its funds under management commencing in November 2022. Platform investments made prior to November 2022 do not reflect the same level of ESG integration and monitoring nor adhere to the Firm's more recent Responsible Investment standards, practices and procedures, as described herein.

TorQuest is committed to continuously improving our sustainability practices and expanding their application across our portfolio, though integration will vary across the portfolio dependent upon the particular circumstances of each investee company. In some instances, TorQuest has limited ability to control or significantly influence the integration of ESG considerations at its investee companies. For example, this can occur where TorQuest is a minority shareholder or where other circumstances affect the Firm's ability to assess, set or monitor sustainability performance. In these cases, TorQuest makes reasonable effort to encourage investment partners and portfolio company management to consider TorQuest's responsible investment-related principles.



This Policy may include forward-looking statements reflecting the Firm's expectations, intentions or beliefs regarding future Responsible Investment performance, strategies and reporting practices. These statements are based on the Firm's current understandings, assumptions and projections about future events, trends and conditions. However, forward-looking statements are inherently subject to risks, uncertainties and factors beyond the Firm's control, which may cause actual outcomes or results to differ materially from those expressed or implied. The Firm makes no guarantee of future Responsible Investment outcomes or performance and reserves the right to update or modify this Policy and its related practices in its sole discretion as circumstances evolve.

The TorQuest ESG data collection processes described in this Policy, such as metrics aligned to the ESG Data Convergence Initiative ("EDCI"), will generally follow the guidance set forth by the EDCI and be standardized to align with its reporting framework as in effect from time to time. However, there are necessarily variations in data collection methodologies among different portfolio companies due to their specific industries, size and geographic locations. TorQuest's ESG metrics are subject to certain limitations and assumptions, including but not limited to the availability of data, the alignment of portfolio company reporting systems and the maturity of sustainability initiatives at each company. Investors should consider the inherent limitations of ESG-related data, including potential biases in self-reported information and the evolving nature of ESG metrics, standards and collection methods.

This Responsible Investment Policy is provided for informational and discussion purposes only and is not, and may not be relied upon in any manner as, legal, tax or investment advice or as an offer to sell or a solicitation of an offer to buy an interest in any investment fund managed or advised by TorQuest. A private offering of interests in any fund managed or advised by TorQuest will only be made pursuant to a confidential private placement memorandum and such fund's subscription documents, which will be furnished to qualified investors on a confidential basis at their request and for their consideration in connection with any such offering.

CONTACT

For inquiries about the Responsible Investment Policy, please contact:

Jason R. Galbraith

Managing Director and Chief Legal Officer E: galbraith@torquest.com

T: +1 416 867 2481

Craig Rankine

Partner, Chief Financial Officer &

Chief Operating Officer

E: rankine@torquest.com

T: +1 416 867 2484

EVERY SUCCESSFUL RELATIONSHIP STARTS WITH A CONVERSATION.