



2022 ESG REPORT

DRIVING FOR REAL CHANGE

OAK HILL CAPITAL IN ACTION

This year, we reached an inflection point as concerted action accelerated our ESG progress.

About Oak Hill
[Page 3](#)

To Our
Stakeholders
[Page 4](#)

SECTION

1

**A Platform
for Change**
[Page 6](#)

SECTION

2

**Employee
Ownership**
[Page 11](#)

SECTION

3

Cybersecurity
[Page 14](#)

SECTION

4

**Diversity, Equity,
and Inclusion**
[Page 17](#)

SECTION

5

Climate Action
[Page 20](#)

SECTION

6

**Core Systems
for Action**
[Page 24](#)

Important
Information
[Page 32](#)

Endnotes
[Page 32](#)

About This Report This is Oak Hill Capital Partners’ tenth annual environmental, social, and governance (ESG) report. We were one of the first middle-market private equity firms to establish ESG guidelines/requirements for portfolio companies.¹ We have accomplished significant progress over the past 10 years, including the installation of a now-routine ESG integration process across theme origination, due diligence, portfolio management, and reporting.

In this report, we describe our ESG activities in 2022, including our primary effort that focused on establishing a robust set of ESG policies at our controlled portfolio companies.* This was the culmination of a multiyear effort.

All data in this report are as of December 31, 2022, unless otherwise noted. The program and goals presented are aspirational and there can be no guarantee that they will be achieved.

See [Important Information](#) for further details and important limitations on the content provided. Contact us at InvestorRelations@oakhill.com.

On the cover: Oak Hill strives to drive real change in both our own portfolio and the broader capital markets. Learn how we are helping protect climate-critical forests in the Amazon and elsewhere through an innovative funding mechanism. See [page 21](#).

* As used in this report, “portfolio companies” refers to those companies in which Oak Hill owns a controlling interest, unless otherwise indicated.

Founding
Member of



**Ownership
Works**

ABOUT OAK HILL

With decades of experience, we believe we have stayed true to our values by building a new platform for driving change.

Oak Hill is a private equity firm focused on the North America middle market. Since our founding in 1986, Oak Hill and our predecessors have raised approximately \$20 billion of initial capital commitments and co-investments,² invested in approximately 100 companies, and completed more than 300 add-on acquisitions representing an aggregate enterprise value at acquisition of over \$60 billion. Our success stems from our systematic approach, ESG engagement, high ethical standards, and active partnership with every portfolio company.

Thematic Approach: Our Firm applies a specialized, theme-based approach to investing in the following dedicated industry sectors: Industrials, Business Services, Media & Communications, and Consumer.

Engagement: Since our founding by Robert M. Bass over 30 years ago, Oak Hill's partners have been engaged in environmental, social, and governance issues. Our Firm's founder and leaders established

and continue to cultivate relationships with leading nonprofit organizations such as Environmental Defense Fund (EDF) and the sustainable business network and consultancy BSR, which are focused on environmental protection and responsible social programs.

Ethics: We have long valued environmental responsibility; refused to invest in weapons manufacturers, payday lenders, casinos, and other businesses that we believe hurt the economically disadvantaged; and sought to develop and maintain best-in-class corporate governance structures.

Partnership: Our experienced team actively partners with portfolio companies to help them achieve more on ESG issues. Together, we implement strategic and operational initiatives that we believe will create franchise value and address important ESG considerations.

OUR FIRM IN 2022

36 years
of experience

\$20 billion
initial capital commitments
and co-investments

100+
transactions
since 1986

TO OUR STAKEHOLDERS

We believe we have achieved significant progress this year by acting on a broader scale at the portfolio company level.

When Oak Hill founded our formal ESG program more than a decade ago, our vision reached beyond adopting policies. We wanted to drive real change by implementing transformative ESG management practices. Over the past 11 years, we have consistently taken action at the Firm and portfolio levels. Through strategic effort, we believe we have made steady progress and achieved substantive outcomes on a number of levels.

Getting the Job Done at the Portfolio-Company Level

We implemented a specific set of ESG Guidelines across our controlled portfolio companies after

introducing them the previous year. In addition, we launched programs in employee ownership and cybersecurity, and we advanced our diversity, equity, and inclusion (DEI) efforts. These represent significant accomplishments because Oak Hill is not run like a conglomerate—implementation requires buy-in from each company.

At Oak Hill, we drive change and make progress through a collaborative and iterative decision-making process. To achieve collective buy-in across our portfolio, we need to be on the ground, working with management teams to embed these programs into the fabric of portfolio companies. As described in

this report, we engaged our companies through one-on-one calls, portfolio-wide meetings, and introductions to subject matter experts to help get the job done. This took the efforts and dedication of investment professionals across Oak Hill and our management team partners. We believe this level of implementation is remarkable and are proud of how far we have traveled. In this report, we share our progress on four key issues—employee engagement and ownership, cybersecurity, diversity, equity, and inclusion, and climate action—as we implement ESG policies and standards across our portfolio.



Employee Ownership

In that spirit of innovation, we jumped at the opportunity to join with KKR and other private equity firms in co-founding Ownership Works, a program that extends employee ownership to employees beyond the C-suite.

We've committed to collaborate with and provide substantial financial support to Ownership Works and are implementing its practices and principles alongside several of our portfolio companies. See [pages 11-13](#).

Assessing Cybersecurity

Cybersecurity continues to be a growing concern for the customers, employees, and stakeholders of

At Oak Hill, we strive to drive change and make progress through collaborative and iterative decision making.

portfolio companies. In many respects, there is no more important topic of immediate concern for their protection and well-being. Company by company (for controlled portfolio companies), we completed cyber risk vulnerability assessments and are working with management teams to launch or upgrade cyber risk management programs across our portfolio. See [pages 14-16](#).

Advancing Diversity and Inclusion

We believe that DEI can't really move forward without the full engagement of the Firm. So, we're pleased that a large percentage of our people serve on either our DEI Committee and/or one of our action-oriented subgroups. This level of involvement helps ensure that we get employee input on important topics. We believe we have this challenge surrounded and, while we have a long way to go, we are on the move forward. See [pages 17-19](#).

Climate Action

We recognize that climate-related changes pose both opportunities and risks. We're supporting global action through our foundational support of Emergent, an innovative initiative to save climate-critical forests, and by educating our portfolio companies on climate action. See [pages 20-23](#).

A Desire to Lead

We have always believed that innovation is essential to a robust ESG program. At Oak Hill, our goal is not to follow, but to lead. And to do that, we had to work with people a lot smarter than we are. That is why we started our ESG program by partnering with sector leaders including EDF, BSR and, more recently Ownership Works.

We also continue to implement and, as necessary, enhance core elements of our ESG program founded over a decade ago. To name just a few, we continue ESG diligence when considering potential investments and continue to work with key ESG partners including BSR. See [pages 24-29](#).

While we're pleased with our progress, we know there is more work to do and continue to look for more opportunities to create value for our communities, portfolio companies, investors, and other stakeholders.

We invite you to learn more about all of this and more in the report that follows.

OAK HILL ESG COMMITTEE

SECTION 1

A PLATFORM FOR CHANGE

2022 was a period of significant achievement, during which we brought to life our vision of embedding ESG management into the fabric of many of our portfolio companies.

2022 MILESTONES

Incorporated ESG Guidelines for our portfolio companies.

Instituted quarterly board reporting for our portfolio companies.

PHOTO: As active owners, Oak Hill engages with our companies to instill practices designed to embed long-lasting change.



OUR ESG GUIDELINES ACROSS THE PORTFOLIO

We solidified a foundation for driving ESG performance.

During a year of intense collaboration with our portfolio companies, we believe Oak Hill delivered strong progress on our ambition to implement a comprehensive set of ESG programs at our controlled portfolio companies. After introducing these newly established ESG Guidelines to our companies in 2021, we focused on embedding these ESG best practices during 2022. We believe that these actions, described below, provide a strong foundation for improving company performance by protecting the environment and natural resources, valuing people, and adhering to responsible business practices. These practices, in our opinion, better position our companies to address changing customer and societal expectations.

After introducing newly established ESG Guidelines to our companies in 2021, we focused on embedding these practices during 2022.

We have encouraged our portfolio companies to adopt the following foundational ESG practices:

TRANSPARENCY

Board Reporting: Quarterly board reports submitted to portfolio company boards include an ESG section and align with each company’s materiality assessment.

ESG Event Reporting: A process to help ensure that all material ESG issues are reported promptly to the board.

Oversight Committees: Audit and/or compensation committees as well as business-specific committees, such as worker safety or compliance, appropriate to the specific business.

FOUNDATIONAL RESOURCES

ESG Officer and/or ESG Committee: A point person responsible for advancing ESG strategy.

ESG Policy: Individualized ESG policies tailored to each business.

Innovation: Innovative ESG-related strategies, policies, and programs that are right for the business and can help drive performance.

DIVERSITY, EQUITY, AND INCLUSION

Board Diversity: Boards that include at least one person from an underrepresented group and at least one independent director.

DEI Program: A DEI program that includes policies and procedures to ensure a diverse and inclusive work environment.

Anti-Discrimination and Harassment Training: Regular anti-discrimination and harassment training for all employees.

RESPONSIBILITY FOR EMPLOYEES

Employee Complaint Hotline: A hotline for employee complaints and reports to their board. If relevant, the hotline is publicly available and allows for feedback from all stakeholders.

Human Resources Review: Human resources compliance reviews, preferably with the support of outside resources, and preferably at least every two years.

COMPLIANCE

Anti-Bribery and FCPA Policies and Training: An anti-bribery policy and a Foreign Corrupt Practices Act (FCPA) policy and related training to employees for companies that engage in foreign business or activity.

Cybersecurity: A cybersecurity program and an annual cybersecurity review.

FROM DEVELOPMENT TO IMPLEMENTATION

We're implementing and monitoring ESG Guidelines in portfolio companies.

Collectively, we achieved substantial improvement in implementing our ESG Guidelines across our controlled portfolio companies. When we started this process, we created a heat map to provide portfolio companies and investment professionals both a benchmark and an assessment of where each company was in implementation of the guidelines. This led to a significant increase in the number of guidelines with which portfolio companies now

comply, and we continue to monitor and encourage further implementation. In some instances, companies are still implementing the remaining guidelines and we are supporting them in completing this process. Occasionally some companies find certain guidelines less relevant for their operations and do not plan to comply. For example, training on the Foreign Corrupt Practices Act (FCPA) is less important for companies that do not have foreign sales.

Our Implementation Process

During 2022, we completed the incorporation of our ESG Guidelines across our relevant controlled portfolio companies, following the process described below. We are hopeful that our controlled portfolio companies will meet these guidelines over the coming years, and we will replicate this process with each new controlled company that enters our portfolio.

PROGRESS DURING 2022



We will review the ESG Guidelines periodically to ensure that they align with stakeholder expectations for ESG management and reporting, and remain current with best practices for regulatory requirements. For example, during 2022, we added an ESG Guideline regarding cyber risk reporting. We will continue to monitor the implementation of our ESG Guidelines across portfolio companies and seek to understand how to fill any remaining gaps. Learn more on [page 14](#).

We will continue to monitor the implementation of our ESG Guidelines across portfolio companies and seek to understand how to fill any remaining gaps.

ESG PERFORMANCE BY PORTFOLIO COMPANY*

ESG GUIDELINE	A	B	C	D	E	F	G	H
ESG Policy	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Board Reporting	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
ESG Officer and/or ESG Committee	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Oversight Committees	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Employee Complaint Hotline	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Anti-Bribery and FCPA	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Anti-Discrimination & Harrassment Training	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Human Resources Audit	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Diversity and Inclusion	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Event Reporting	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
TOTAL CRITERIA MET	9	9	6	6	7	8	10	9

Programs, policies, or trainings implemented as of 2022

Programs, policies, or trainings are not yet in place

* Table discloses eight companies that had significant progress against our ESG Guidelines. Company names are anonymized.

ESG BOARD REPORTING

This is one of our key goals for our controlled portfolio companies going forward.

In 2022, we asked our controlled portfolio companies to report to their relevant board of directors each quarter on what they believe are their most material ESG issues.

Why It Matters

Reporting ESG information to boards is vital, as boards are charged with oversight of a company’s performance and are accountable for its long-term health. We believe boards can’t do that unless they are well informed on the ESG topics that are most material to a company’s ESG performance. Regular, data-based ESG reporting

increases board awareness of and accountability for ESG performance on these topics. It also builds board competency by keeping directors informed of regulatory and other ESG trends. One of our goals is to implement lasting change that persists even after we exit our investment—increasing board competency and involvement in oversight of ESG performance can help achieve this.

ESG Topics and KPIs

We have provided a template to portfolio companies for reporting on ESG issues at the board level that includes

key performance indicators (KPIs) for core and sector-specific ESG topics. This built on work completed in 2021, when we guided portfolio company leaders through the process of ranking their most material core ESG topics. Company management teams were also encouraged to select the most material sector-specific ESG issues, guided by the Sustainability Accounting Standards Board (SASB) Materiality Map and relevant sector standards.



REGULAR BOARD REPORTING TRINITY CONSULTANTS*

Trinity Consultants provides its board quarterly ESG reports as part of its approach to ESG management. Each report includes a progress update on Oak Hill’s ESG Guidelines and ESG performance data on core and sector-specific

metrics. Trinity selected sector-specific metrics by using a materiality assessment process that identified the ESG topics with the highest impact on its business and of highest importance to its stakeholders. Trinity also consulted the SASB sector standards for Engineering Construction Services and Professional Commercial

Services. By regularly receiving consistent ESG performance information, board members have better input for monitoring progress on ESG performance.

In 2022, Trinity also facilitated development of the Global Steel Climate Council (GSCC) draft of The Steel Climate Standard,

a global standard to measure and report steel carbon emissions, in collaboration with GSCC members by providing technical advisement.³

Trinity Consultants provides EHS, engineering, and science consulting, technology solutions, and professional education to clients in industrial and health care end markets globally.

* Case studies are for illustrative purposes only. This case study represents an illustrative example of board reporting where Oak Hill was able to provide guidance and support to add value to the implementation of this guideline. Oak Hill’s level of engagement on this or any other ESG initiative will necessarily vary, including, but not limited to, Oak Hill’s control of a portfolio company, a portfolio company’s existing ESG initiatives, Oak Hill’s area of expertise, and the internal priorities of the portfolio company.

SECTION 2

EMPLOYEE OWNERSHIP

We want to create a future of work where employers and employees can win together. We're pleased to be in the process of building a program that enriches and engages employees across our controlled portfolio companies.

2022 MILESTONES

626 and **179** employees participate in equity ownership programs at Metronet and U.S. Oral Surgery Management, respectively, two companies currently in the Oak Hill portfolio that have such programs.

5-year commitment of \$100,000 per year from Oak Hill Capital Management to nonprofit Ownership Works to help increase employee ownership plans across private equity-backed companies.

2 additional portfolio companies began working with Ownership Works.

PHOTO: We're extending the benefits of equity ownership through Ownership Works programs in place at Metronet and U.S. Oral Surgery Management, and in planning at American Veterinary Group and Technimark (pictured).



EMPOWERING FAMILIES THROUGH EMPLOYEE OWNERSHIP

We strive to promote individual prosperity that aligns with positive business outcomes.



Oak Hill is proud to be a founding member of Ownership Works, a nonprofit with a mission to

increase prosperity through shared employee ownership at work. Together with more than 60 other partners across the private, public, and nonprofit sectors, Oak Hill is helping to develop and implement broad-based employee ownership programs. We believe these programs increase employee retention and satisfaction, create better work environments, and help our businesses attract new employees.

Why It Matters

The need to improve economic opportunity, engagement, and financial capability among employees in U.S. businesses is well documented. Half of U.S. households own less than 1% of the roughly \$40 trillion in directly held stocks and mutual funds held by individuals, and more than a quarter of U.S. workers (26%) have no retirement savings. There are also racial and ethnicity disparities related to financial security, with Black and Latino households owning only 2% of directly held stock and mutual funds. In addition, 66% of employees describe themselves as “not engaged” or “actively disengaged” at work.²

The Value of Aligning Interests

Since our beginning, our founder Robert Bass established a foundational principle that we have never ceased to stand by: alignment of interest. It is with this DNA that Oak Hill helped co-found Ownership Works in 2022 with the mutual goal of creating shared ownership not just among the top managers at a company, but among a substantial number of employees. We are committed to the fostering of shared ownership programs for the long term not just at Oak Hill but across the private capital sector and have committed \$100,000 of support to Ownership Works annually for five years.

Off to a Good Start

In the first year of involvement in Ownership Works, programs are already in place at two portfolio companies: Metronet and U.S. Oral Surgery Management. This is just the beginning. We have also begun the process of establishing an Ownership Works program at additional companies in our portfolio and plan to report further details in our next annual ESG report.

THE OWNERSHIP WORKS MODEL

Investment firms that partner with Ownership Works commit to implementing new models of shared ownership within at least three of their portfolio companies by the end of 2023, while also sharing data and insights to improve the program over time. As an Ownership Works member, Oak Hill undertakes several actions including:

- **Broad-based ownership programs** by providing employees with the opportunity to participate in the value they help create.
- **A culture of ownership** that aligns a workforce around a common purpose, values, and goals.
- **Financial literacy and resilience** by helping employees understand the ownership plan and providing access to personal financial education and support when an ownership plan matures.
- **Shared data and best practices** by sharing our experience so that these models can be evaluated and improved over time.

**EMPLOYEES ARE MVPS
METRONET***

Since 2022, Oak Hill has actively supported Metronet in the implementation and administration of the company's broad-based ownership program, the Metronet Value Plan (MVP). The MVP program currently consists of over 600 eligible employees that have been employed at the company for two or more years, with the ultimate goal of rolling the program out to the company's nearly 2,000 employees. Under the MVP program, eligible employees can expect to receive seven to eight months of their salary at Metronet's next recapitalization. We believe that Metronet's

broad-based ownership program will drive higher rates of employee engagement, morale, and retention. During the recapitalization of the company in 2021, nearly 500 of the company's employees received proceeds under the plan. Over the past year, employee retention and engagement have improved as many employees have already voiced their excitement for the next recapitalization event.

Metronet is a fast-growing providers of fiber optic, high-speed broadband services, delivering fiber-to-the-premise (FTTP) data, television, and telephone services to homes and businesses across the nation.

**ACTION
SPOTLIGHT**



**ACTION
SPOTLIGHT**



**SHARING IN GROWTH
U.S. ORAL SURGERY MANAGEMENT***

In 2022, we worked with the management team at U.S. Oral Surgery Management (USOSM) to design and implement a program that extended ownership to nearly 200 manager- and professional-level employees. As part of the USOSM Shared Ownership Plan, this group of employees became eligible to receive a distribution equivalent to two to four months of their salary at USOSM's next recapitalization. These employees serve as an extension of USOSM's clinical mission, providing financial and operational expertise to drive continued

growth and long-term practice success. The company has received overwhelmingly positive feedback from staff and leaders. This program is expected to improve employee engagement, morale, and retention, as well as lead to better patient care and satisfaction. We're proud to support employees in achieving clinical excellence and contribute to the success of the USOSM platform.

Headquartered in Irving, Texas, USOSM has partner practices spanning 26 states. A shared services organization, USOSM collaborates with premier oral and maxillofacial surgeons to offer a partnership solution for continued and accelerated practice success.

* Case studies are for illustrative purposes only. These two case studies represent the only two companies we have worked with to implement employee ownership since the beginning of our partnership with Ownership Works. Oak Hill's level of engagement on this or any other ESG initiative will necessarily vary, including, but not limited to, Oak Hill's control of a portfolio company, a portfolio company's existing ESG initiatives, Oak Hill's area of expertise, and the internal priorities of the portfolio company.

SECTION 3

CYBERSECURITY

We have taken decisive action across our portfolio to address the rising risks of cybersecurity threats.

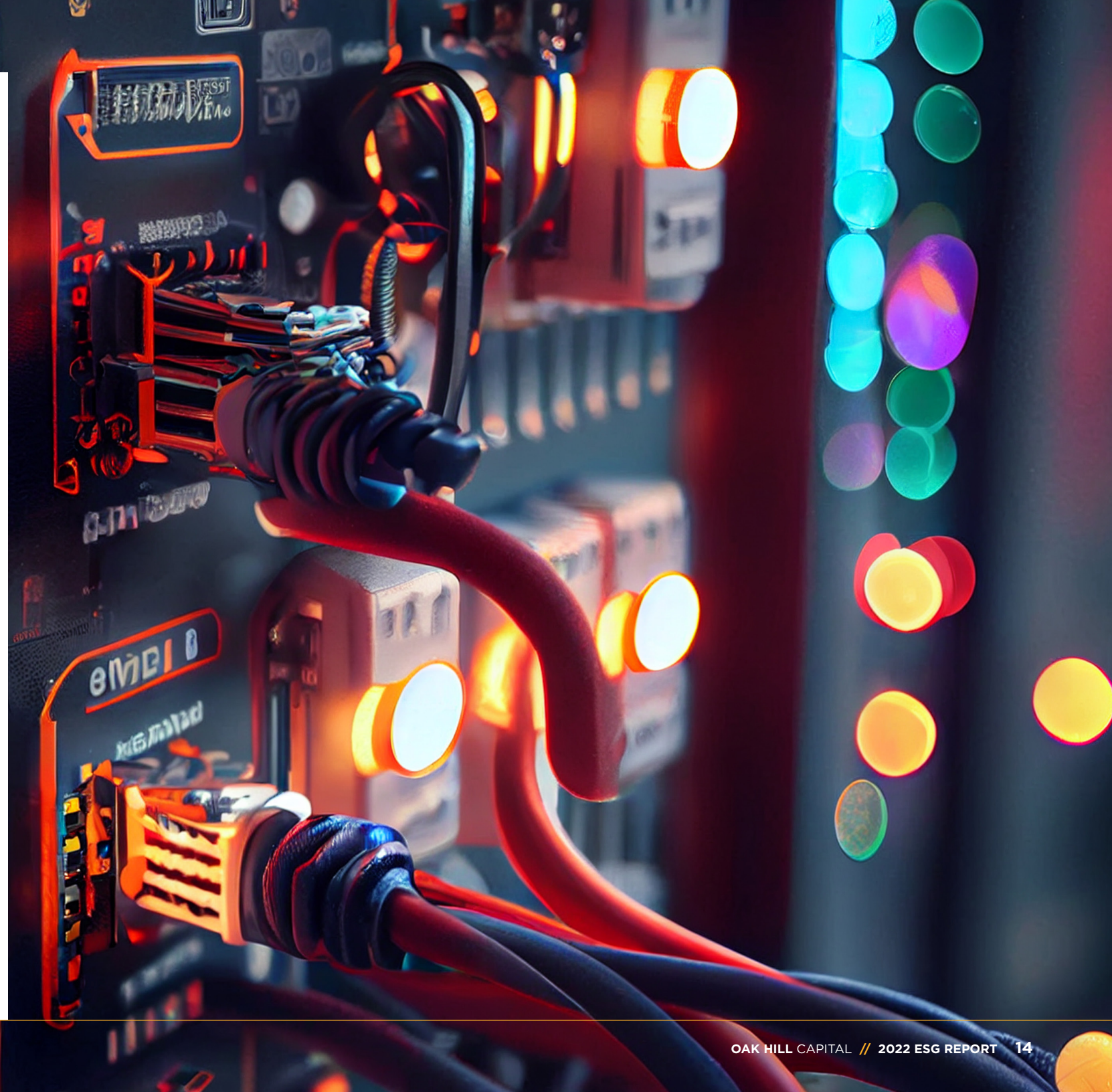
2022 MILESTONES

100% of our controlled portfolio companies completed comprehensive cyber risk vulnerability assessments.

Added an annual cybersecurity review as an ESG Guideline.

Instituted or strengthened cybersecurity programs at our portfolio companies.

PHOTO: Proactively managing cyber risk is integral to providing excellent, trustworthy service across our portfolio.



TAKING ACTION ON CYBERSECURITY

We strive to protect customers, employees, and other stakeholders by strengthening cyber resilience and readiness.

It is critical that companies take responsible steps to protect customers, employees, and investors from cyber threats. In 2022, Oak Hill conducted a cybersecurity assessment across our controlled portfolio companies as a foundational step in equipping them to improve their protection against increasing cyber threats.

Why It Matters

The importance of addressing cybersecurity has never been greater, with companies of all sizes vulnerable to cyber risks. Companies need to protect all their stakeholders, especially the personal data of employees. Research shows that the number and sophistication of cyberattacks worldwide increased by 38% in 2022 compared to 2021, due in part to hackers exploiting collaboration tools used by remote workers.³ A cyber breach can have serious legal, financial, and reputational consequences for both a portfolio company and Oak Hill. In addition, companies need to be in a position to prepare to comply with new data security regulations such as the U.S. Securities and Exchange Commission's proposed new cybersecurity risk management rules and amendments as well as privacy and cybersecurity-related legislation at the state level. In addition, the EU General Data Privacy Regulation (EU GDPR) requirements apply to many U.S.-based companies with activities in the European Union.

Prioritizing Cybersecurity

As noted above, cybersecurity was one of three key ESG issues that Oak Hill focused on in 2022. We are working to help our portfolio companies solidify their cybersecurity programs and thus reduce cybersecurity-related risks within our portfolio.

Assessment Overview

To start our program, we engaged a leading cybersecurity consulting firm to conduct a cyber risk vulnerability assessment company by company for our controlled portfolio companies. We also gathered information that will improve cybersecurity risks and incident reporting to both company boards and Oak Hill. Through our in-depth vulnerability assessment process, Oak Hill and our consultant:

- Introduced the program's purpose, process, and potential benefits.
- Held interviews with each company's cybersecurity team and other business stakeholders.
- Completed a cyber risk vulnerability assessment for each controlled company.
- Prepared and reviewed a formal report with the company's cyber team, including assessment results and a proposed roadmap.

Assessment Scope

The overall assessment included maturity and target assessments for each of the tested portfolio companies assessed to establish a baseline understanding of cyber readiness. The assessment protocol involved a review of documentation as well as interviews with the company's cybersecurity team and relevant business stakeholders to evaluate each company against 11 cybersecurity domains and 46 control requirements.

We are working to help our portfolio companies solidify their cybersecurity programs and thus reduce cybersecurity-related risks within our portfolio.

CYBERSECURITY DOMAINS ASSESSED

Strategy, Governance, and Management	Security Architecture and Operations	Threat Intelligence and Vulnerability Management	Third-Party Security Management	Application Security
Risk, Compliance, and Policy Management	Identify and Access Management	Incident and Crisis Management	Information Privacy Protection	Business Process Control
			Physical Security	

Our Outcomes

We aggregated the findings from our cyber risk vulnerability assessment to create a heat map depicting the evaluated maturity of each company compared to its targeted maturity. These findings provided valuable insights into the strengths and opportunities for improvement across our portfolio. As a result of strong company participation in this process, the assessment:

- Established a measurable and repeatable process to assess portfolio company cybersecurity maturity.
- Provides visibility to the current state of cybersecurity preparedness.

- Enables stakeholders to develop appropriate action plans to mitigate risk.
- Supports risk management across Oak Hill investments.

Customized Action Plans

Our results allowed us to assess where to channel attention across each company’s business. For each participating portfolio company, we created a bespoke action plan to address the areas that require attention. A priority has been assigned to each item. We have scheduled regular cadence calls to support the portfolio companies as they take action. We are working

closely with each company to ensure that proposed roadmap priorities are integrated as deliverables into the company’s cyber risk management program. This includes refining targeted maturity scores for each assessed security domain and requirement in relation to business risk. To ensure accountability, each participating company is requested to report progress quarterly to its board and Oak Hill and conduct an annual cybersecurity review. This key cybersecurity indicator will be incorporated in the board reporting process described on [page 10](#) of this report.

What’s Next

We are now moving to implement or enhance tailored cybersecurity-preparedness programs at each controlled portfolio company. Ultimately, we believe these steps will help protect these businesses by preparing them for growing threats and thus help mitigate potential risks for them, our Firm, our investors, and other stakeholders. As we progress into 2023, we will continue to collaborate with the teams and refine the program to strengthen the security posture and share industry experience across the portfolio.



SECTION 4

DIVERSITY, EQUITY, AND INCLUSION

We want the people in our companies and communities to thrive in a diverse, equitable, and inclusive environment, which requires effort from across the Firm's professionals.

2022 MILESTONES

30% of Oak Hill employees serve on our DEI Committee and/or an action-oriented subgroup.

Introduced a new Associate training program to accelerate onboarding.

Became an Institutional Limited Partners Association (ILPA) Diversity in Action Signatory.

PHOTO: Oak Hill employee volunteers help students develop critical social-emotional skills through Read Ahead, a reading-based mentoring program.

DIVERSITY, EQUITY, AND INCLUSION AT OAK HILL

We strive to create an inclusive culture so our people and companies can thrive.

Why It Matters

We believe a diverse, equitable, and inclusive workplace improves investment performance, team culture, and the likelihood of long-term success. We think that intentionally fostering an equitable and inclusive culture that embraces diversity of thought, identity, and experiences is key to building our core asset: talent.

Our Approach

We focus across diversity, equity, and inclusion. We recognize that diversity has many lenses—not just certain elements, such as race or ethnicity—so we seek

to embrace all types of diversity. We are guided by a DEI Policy that was adopted and communicated to employees in 2021. Our DEI Policy emphasizes why it matters and that attracting, developing, and retaining the best talent in today's multicultural environment is important to our success. Oak Hill developed this policy to reflect our commitment to continuous improvement as it relates to diversity, equity, and inclusion at our Firm and our portfolio companies.

Employee Led

The people of Oak Hill, working through our DEI initiatives, play the leading role in helping drive progress

across our Firm. We believe that this extensive and enthusiastic employee involvement is the key to the success of our DEI program and are gratified that 30% of our employees serve on either the DEI Committee or a subgroup.

Training

In 2022, we launched a new Associate training program. This program was designed to help all employees start with an equal opportunity and level playing field. Following the positive outcomes from the unconscious bias training provided in 2021, we plan to offer a similar Firmwide training in 2023.



Actions to Achieve a More Diverse, Equitable, and Inclusive Firm

Our actions were guided by the ILPA Diversity in Action (DIA) Initiative, including participation in DIA round tables to stay informed of best practices. Our DEI Committee subgroups worked to accomplish the following during 2022:

Recruiting: Our 2022 Associate recruiting class was diverse. We also grew our diverse population in key non-investment professional areas within our Firm.

Transparency: We implemented optional self-identification for employees to establish a demographic baseline, which is especially helpful for tracking our progress and providing detailed reporting to management and investors. We collect and share information to assist in assembling responses to DEI-related inquiries from Limited Partners.

Accountability: In 2021, we added DEI criteria to our Performance Management System, including it as part

of the Culture Assessment for investment professionals. In 2022, we extended the assessment to all investment professionals, who are also measured by their contribution to and support of the Firm's DEI initiatives during their annual performance review.

Mentorship: We became a corporate sponsor of Read Ahead, a nonprofit reading and mentoring program in which mentors are paired with New York City-based students in grades one through five. Most of the students at Read Ahead partner schools identify as Black, Indigenous, and other people of color and are challenged by poverty.

Through this program, seven of our employees volunteer their time every other week to mentor students for the duration of the school year.

Collaboration: As a member of the ILPA Diversity in Action initiative, we participate in roundtables to identify and import best practices on building inclusive cultures, successful approaches to unconscious bias training, portfolio company board diversity, and much more.

Advancing Diversity in the Investment Industry

Oak Hill has supported the nonprofit Girls Who Invest since 2019 by hosting yearly summer Analysts to help bring more women into portfolio management and leadership. The summer Analysts program at Girls Who Invest includes mentorship and training with multiple investment professionals. Training for the program includes individual theme-based research and a modeling presentation.

What's Ahead

We hope to continue to integrate, improve, and expand our DEI programs to further a diverse, equitable, and inclusive culture at Oak Hill. In 2023, our goals will include:

- Gathering feedback from employees regarding ways to improve our DEI program.
- Reviewing DEI-related policies on a consistent basis.
- Hosting Firmwide events to foster inclusivity.
- Firmwide unconscious bias training and interactive workshops.



SECTION 5

CLIMATE ACTION

From supporting the protection of tropical forests to educating our investment professionals, we're taking action to address the climate challenge.

2022 MILESTONES

Delivered climate change and net zero overview to Oak Hill investment professionals.

Continued support of Emergent Forest Finance Accelerator, including its new partnerships with six Brazilian states and forest countries.

Provided support for relevant portfolio companies to take action on climate change.

TAKING ACTION ON CLIMATE

Mobilizing our team to address climate change.

Why It Matters

Six of the top 10 global risks over the next 10 years are related to the environment and climate change, according to the World Economic Forum.⁵ Many businesses, including some in our portfolio, need to consider and take relevant action on these issues as part of their overall risk management approach as they seek to preserve and create value. In addition, our investors, customers, employees, and society expect relevant businesses with which they engage to manage their climate impacts and contribute to positive change.

Our Approach

Through our ownership position, alignment of interests, and long-term perspective, Oak Hill has the motivation and opportunity to help our portfolio companies better understand how to mitigate potential climate impacts. Oak Hill recognizes that climate change is a pressing global issue and has a two-fold approach for addressing this societal challenge. First, as a Firm, we strive to use our role in the broader investment community to catalyze meaningful action. Second, we seek to encourage and equip our relevant portfolio companies to take appropriate actions to address climate change.

Embedding Climate Considerations in the Investment Life Cycle

We provided Oak Hill investment professionals with a training on climate change and net zero strategies during 2022. We shared up-to-date, independent scientific and financial research focused on how climate change can impact the investment sector and described the shift to a net zero economy. We hope that Oak Hill investment professionals will use this knowledge in their respective roles at the Firm and when interacting with our portfolio companies.



EMERGENT AND LEAF MOBILIZING CAPITAL FOR CLIMATE SOLUTIONS

Oak Hill was an early mover in the effort to fight climate change by mobilizing investment capital to protect forests and reduce deforestation. As a partner in the Emergent Forest Finance Accelerator since 2018, our actions continue to bear fruit. Emergent is a nonprofit intermediary acting between tropical forest countries and the private sector to create a new marketplace in large-scale transactions of high-integrity carbon credits. Emergent is the coordinator of the LEAF Coalition, a voluntary

global coalition bringing together the private sector and governments to halt deforestation by financing large-scale tropical forest protection.

At the COP27 UN Climate Change Conference in 2022, the LEAF Coalition, alongside Emergent, announced that Brazilian states and forest countries had signed six new agreements aimed at ending tropical deforestation. Oak Hill ESG Committee Chair, Partner, and General Counsel John Monsky (center) joined with Emergent leaders at the announcement event in New York City.

Climate Action in Our Portfolio

We believe that it benefits our portfolio companies to be aware of emerging climate issues and best practices. In 2023, we plan to provide an overview of climate change and net zero strategies for portfolio companies, providing them with the same information delivered to our investment professionals. This will create a common base of understanding between both our Firm and our portfolio, setting the stage for effective communication and collaboration that can drive progress.

While we encourage our portfolio companies to manage their environmental impacts, we believe most are in sectors that do not have a significant climate impact. For companies that have a greater environmental impact, we continue to support the development of sustainability programs. For example, Berlin Packaging proactively manages its climate impacts, which positions it well to serve clients who have set GHG emission reduction goals and expect the companies in their supply chains to help them meet their Scope 3 emissions targets. We also have investments in companies such as Wrench Group (see following page) that help consumers address energy management instead of sustainability.

QUANTIFYING ENVIRONMENTAL IMPACTS
BERLIN PACKAGING*

Customers look to Berlin Packaging for cost-effective, innovative, and sustainable packaging solutions. And Berlin delivers, offering an extensive array of sustainable packaging solutions.

Berlin uses the life cycle analysis (LCA) technique to quantify a product’s environmental impact throughout its life cycle, from sourcing and raw materials extraction to manufacturing and distribution through end-of-life. As part of that, Berlin uses LCA tools to calculate a product’s greenhouse gas emissions and its water use, mineral resource use, and fossil fuel use. As a global company committed to using internationally recognized best practices, Berlin’s LCA tool follows the ISO 14040:2006 quality management system in determining and documenting the scope, assumptions, consistent boundary conditions, and data sources.

Berlin Packaging provides structural and brand design, worldwide sourcing, warehousing and logistics, and capital financing to more than 45,000 customers worldwide.



* Case studies are for illustrative purposes only. This case study represents the longest standing example of how Oak Hill supports its relevant portfolio companies in addressing climate change. Oak Hill’s level of engagement on this or any other ESG initiative will necessarily vary, including, but not limited to, Oak Hill’s control of a portfolio company, a portfolio company’s existing ESG initiatives, Oak Hill’s area of expertise, and the internal priorities of the portfolio company.



INCREASING ENERGY EFFICIENCY
WRENCH GROUP*

The Wrench Group businesses provide services that help customers increase the energy efficiency of their HVAC systems. This offers significant potential as HVAC energy use typically represents 15-27% of total electricity costs across U.S. households and the U.S. Department of Energy estimates that building homes using the latest energy codes can help consumers save up to 35% annually in energy costs.⁷ This offers potential societal benefits, as 31% of U.S. households were struggling to pay their energy bills before the COVID-19 pandemic,⁸ making efficiency in this area an increasing priority. We're evaluating the impact of potential government action such as the Inflation Reduction Act to spur the energy efficiency of HVAC units, better manage peak demand events with HVAC-connected devices, and incentivize homes to replace natural gas appliances with electric ones. New climate change regulations and rising temperatures are likely to drive the need for Wrench's services and increase its potential positive impact as well.

Wrench Group provides home repair, replacement, and maintenance services specializing in heating, ventilation, and air conditioning, plumbing, water, and electrical services to over 1.9 million customers annually across the U.S.

* Case studies are for illustrative purposes only. This case study represents the most recent addition to the Oak Hill portfolio that better illustrates providing some of its customers with energy management solutions. Oak Hill's level of engagement on this or any other ESG initiative will necessarily vary, including, but not limited to, Oak Hill's control of a portfolio company, a portfolio company's existing ESG initiatives, Oak Hill's area of expertise, and the internal priorities of the portfolio company.

SECTION 6

CORE SYSTEMS FOR ACTION

We have embedded ESG into our foundation through policies, committees, partners, and processes. It's the way we work.

2022 MILESTONES

Reported our responsible investment progress through the UN PRI Transparency Report regularly since 2014.⁹

Developed and presented a professional development webinar focused on ESG issues for portfolio companies.



RESPONSIBLE INVESTMENT POLICY

For more than a decade, we have held fast to our core principles.

Oak Hill's approach to incorporating ESG considerations into our investment management processes and ownership practices is set forth in our Responsible Investment Policy. Our policy reflects a range of international ESG guidance documents, including the Principles for Responsible Investment, the United Nations Global Compact, the American Investment Council Guidelines for Responsible Investment, and EDF's ESG Management Tool for private equity. Oak Hill will, in accordance with our fiduciary responsibility to our stakeholders, seek to:

1. **Identify ESG issues** throughout our due diligence process related to potential investments.
2. **Refuse to invest** in any business that we believe willfully exploits underserved or underprivileged communities and/or creates significant damage to society. This includes, but is not limited to, businesses that produce guns and ammunition or engage in payday lending or gambling.
3. **Grow and improve portfolio companies** while benefiting multiple stakeholders. To that end, Oak Hill will work with portfolio companies on environmental, health, safety, and social issues with the goal of improving performance and minimizing adverse impacts.
4. **Develop and maintain the resources** to achieve implementation of the Firm's ESG initiatives, including an ESG Committee and ESG Advisor and working with our strategic ESG partners, BSR and EDF.
5. **Make ESG integration an ongoing endeavor.** The ESG Committee will meet semiannually to review the Firm's efforts.
6. **Adhere to the highest standards of conduct** by seeking to avoid even the appearance of negligent, unfair, or improper practices. This includes proactively complying with applicable national, state, and local labor laws in the countries in which we 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, respect the rights of employees to decide whether to join a union and engage in collective bargaining.
7. **Respect the human rights** of those affected by our investment activities and seek to confirm that our investments do not support companies that utilize child or forced labor or maintain discriminatory policies.
8. **Ensure all Oak Hill employees are aware of the Firm's culture of social responsibility** dating back to its inception and encourage them to strengthen that culture. Provide ESG training for relevant Firm employees. Encourage all Firm professionals to engage in nonprofit giving.
9. **Encourage dialogue** with our Limited Partners and other stakeholders regarding how we can manage ESG issues in a way that is consistent with their initiatives. Work with our Limited Partners to foster transparency in all aspects of the Firm's activities, including our ESG performance.
10. **Distribute this policy and related ESG information** to all appropriate employees of our portfolio companies.

ESG HUMAN CAPITAL

People across Oak Hill are dedicated to leading our ESG initiatives.

A robust governance structure guides our ESG approach, providing clear lines of responsibility, accountability, and transparency so that the entire Firm functions as one team. Our cross-functional ESG Committee collaborates with our ESG Advisor to integrate ESG management across the Firm’s activities with the support of our investment professionals and Operating Network. Their efforts are enhanced by our DEI Committee.

ESG Committee: Developing and Implementing the Firm’s ESG Strategy

Oak Hill’s ESG Committee develops and implements the Firm’s ESG strategy. The committee seeks to reduce risks and increase opportunities related to environmental, social, and governance issues across the Firm and within our portfolio companies.

DEI Committee: Employee-Led Action

Established by our ESG Committee in 2021, our DEI Committee implements the Firm’s DEI policy and strategy, which are important elements of our ESG approach. Nearly one third of our employees now work with the DEI Committee through active subgroups focused on discrete projects. DEI implementation is guided by our senior management team, which is responsible for setting our overall DEI strategy.

Oak Hill ESG Committee

					
John Monsky ESG Committee Chair, Partner, and General Counsel*	Brian Cherry Managing Partner*	Nicole Arnaboldi DEI Committee Co-Chair, Partner*	John Rachwalski Partner	John Zimmerman Partner	Jennifer Jun Principal*
					
Adam Hahn Principal*	Jeffrey Butler Vice President	Peter Koch Associate	Jake Shulman Vice President, Investor Relations	Heclliam Bennett DEI Committee Co-Chair, Human Resources Manager*	

* DEI Committee member

ESG PARTNER ORGANIZATIONS

We collaborate with sector leaders to amplify our impact.

As we seek to further integrate ESG management within our Firm and across our portfolio, we partner with organizations that bring expertise and insights on emerging trends and best practices to guide our efforts.



BSR: 100+ Professionals Providing ESG Support

The Firm works with BSR, a leading nonprofit sustainability consulting and research organization, for additional insights on relevant potential transactions. With more than 100 sustainability professionals in 11 offices around the world, BSR has subject matter experts who help us consider ESG risks and opportunities across a target company's entire business. We also leverage their network to advise our portfolio company management teams on ESG issues.



EDF: Helping with Market-Based Solutions

For the past decade, Oak Hill and EDF have teamed up to implement market-based solutions to environmental problems. For example, as a partner of the nonprofit Emergent Forest Finance Accelerator, our Firm is working with EDF to catalyze tropical forest protection. In addition, Oak Hill portfolio companies have participated in EDF's Climate Corps program, an innovative fellowship that helps cultivate the next generation of sustainability leaders.



Ownership Works: Advancing Employee Ownership Through Shared Prosperity

In early 2022, Oak Hill became a founding member of Ownership Works, a nonprofit with a mission to increase prosperity through shared ownership at work. We will work with this new coalition of 60 investors, corporations, foundations, pension funds, and labor advocates to create meaningful wealth-building opportunities for employees at our portfolio companies.



PRI: Building a More Sustainable Financial System

As a signatory of the Principles for Responsible Investment, Oak Hill publicly demonstrates our commitment to build a more sustainable financial system. In 2014, Oak Hill was an early middle-market private equity firm in North America to become a PRI signatory. Since 2014, we have regularly participated in PRI's Reporting Framework, which measures a firm's adherence to ESG-related issues such as strategy and governance, investment processes, and ESG policies and processes.⁹

PRE-INVESTMENT DUE DILIGENCE

We systematically analyze ESG considerations during our due diligence process.

Over the past 10 years, we have formally integrated ESG analysis into each step of our due diligence process. We work across investment teams to ensure that every potential investment presented to our

Investment Committee includes an analysis of potential ESG risks and opportunities. We not only look at the company’s ESG impact but also examine the macro-level ESG issues within the broader industry.

It is mandatory for our Phase Two and Phase Three Investment Committee reports to address ESG considerations.

DUE DILIGENCE ON EVERY TRANSACTION

PHASE 1

The Firm considers whether the investment team should explore the opportunity. An initial ESG screen is conducted around the fundamental premise of the business. This could result in the termination of any further diligence if the company’s business model conflicts with the Firm’s Responsible Investment Policy.

PHASE 2

The Firm reviews the investment to determine whether it merits full-scale due diligence and incurs significant diligence-related costs. Oak Hill considers the key ESG risks and opportunities through a preliminary ESG assessment. We set forth a road map for further diligence.

PHASE 3

Oak Hill obtains answers to specific ESG-related questions through meetings with the company’s management team, review of company data, and discussions with external advisors. Presentations to the Investment Committee include necessary information related to any ESG concerns raised during Phase Two. The company’s ESG data are compared against Oak Hill’s Responsible Investment Policy. Often, there are no significant ESG issues, but, if they exist, they are addressed at this point.

PHASE 4

If needed, Oak Hill’s Investment Committee discusses material ESG issues in the final diligence meeting with the company’s management team. If the company has material environmental and/or social impacts, then Oak Hill’s investment professionals and ESG Advisor will address engagement and monitoring.

DUE DILIGENCE TEAM

We consult internal and external advisors to make informed decisions.

Since the Firm’s inception, we have considered our potential investments with an eye toward ESG issues and have walked away from investments that did not fit our criteria for responsibility, including guns, professional gambling, and payday loans. Integrating the full spectrum of ESG issues throughout our due diligence process requires long-term partnerships with industry-leading experts. We involve the following experts in almost every transaction that the Firm reviews. These advisors provide insights on specific ESG-related questions and potential risks or value-creation opportunities.

Environmental, Social, and Governance Issues

Oak Hill’s ESG Advisor reviews each potential investment to ensure the company complies with the Firm’s Responsible Investment Policy and analyzes emerging ESG risks and opportunities. The ESG Advisor reviews issues such as:

- Risks and opportunities resulting from climate change
- Sustainable business practices (e.g., clean energy sourcing and waste reduction)
- Employee engagement
- Diversity and inclusion practices
- Corporate governance

Human Resources

Lawyers at **Faegre Drinker Biddle & Reath LLP** evaluate portfolio company human resources management, including policies, processes, and expertise related to hiring, onboarding, and training new employees. They also analyze company policies and processes for proper systems related to:

- Employee classification
- Equal pay law compliance
- All forms of discrimination
- Workplace conduct training

Pension, Benefits, and Health Care

A dedicated team of mergers and acquisitions consultants at **Alvarez & Marsal** conduct financial reviews of any qualified or supplemental pensions, including the potential impact of these obligations on enterprise value, prior to purchasing any company. They also support preacquisition due diligence regarding:

- Global employee benefits
- Remuneration plans
- Human resources operations

Risk Management

Oak Hill’s Risk Management Advisor reviews all potential investments to ensure that they are adequately covered with insurance for incidents that we believe could result in negative ESG impacts. Insurance is a critical ESG management tool. If a company is properly insured, it will have the resources to deal with a wide variety of ESG issues or events such as environmental contamination due to accidental spills. Areas of focus include:

- Environmental contamination
- Third-party cyberattacks
- Product liability
- Product recall
- Employee injuries

MAPPING OUR PROGRAM AGAINST THE PRI PRINCIPLES

We regularly report on our ESG progress.

We utilize the Principles for Responsible Investment (PRI)* framework to regularly report on our progress to investors and other stakeholders as we believe this provides the consistent, comparable ESG performance data that investors and other stakeholders value. We map the progress of our ESG activities against the PRI framework and use the results to identify target areas for growth.

Pre-Investment Analysis	PRI 1: Incorporate ESG Issues Into Investment Analysis and Decision-Making Processes <ul style="list-style-type: none">Conducted ESG analysis on relevant potential fund investments presented to the Firm’s Investment Committee through the Firm’s due diligence process.Utilized industry-specific ESG standards, including SASB sector standards, in our research.Partnered with EDF and BSR to stay informed of emerging macro and industry-specific ESG issues to include in our analysis.
Active Management	PRI 2: Be Active Owners and Incorporate ESG Issues Into Our Ownership Policies and Practices <ul style="list-style-type: none">Directly engaged with senior executives and mid-level managers at controlled portfolio companies to present ESG guidelines, advise on implementation, and provide resources during 2022.Developed and provided an ESG Guidelines Resource Guide, tools, templates, and other resources to facilitate portfolio company implementation of ESG goals.Continued developing and presenting professional development webinars focused on ESG issues for portfolio companies since 2014, including two during 2022. Previous topics have included creating a responsible sourcing initiative, mitigating risks from climate change, implementing diversity and inclusion initiatives, and how to build a veteran hiring program.

* Principles for Responsible Investment (PRI) is not considered an official rating agency, and its Assessment Report is one measure of Oak Hill’s ESG initiatives. For more information on PRI qualifications and reporting metrics, please see unpri.org.

7 years of publicly sharing our responsible investing progress through an annual PRI Transparency Report⁹

ESG Disclosure	PRI 3: Seek Appropriate Disclosure on ESG Issues by the Entities in Which We Invest
	<ul style="list-style-type: none">Described ESG initiatives in our annual ESG reports.Engage investment professionals, Senior Advisors, and/or our ESG Advisor in reviews of relevant ESG initiatives with portfolio company management teams and request company-specific ESG-related data.
Advance Acceptance	PRI 4: Promote Acceptance and Implementation of the Principles Within the Investment Industry
	<ul style="list-style-type: none">Presentations on ESG issues in private equity at industry forums and features of Oak Hill ESG program accounts in relevant trade publications.Collaborated with PRI and EDF to develop four sets of tools and resources to further ESG integration across the global private equity sector since 2012.
Effective Implementation	PRI 5: Work Together to Enhance Our Effectiveness in Implementing the Principles
	<ul style="list-style-type: none">Have been an EDF partner since 2012 and a member of BSR since 2013, a PRI signatory since 2014.
External Transparency	PRI 6: Report on Our Activities and Progress Toward Implementing the Principles
	<ul style="list-style-type: none">Publicly released the Firm’s tenth annual ESG report.

Report Content

The content of this report is informed by leading global reporting frameworks including the Sustainable Accounting Standards Board (SASB) and the Principles for Responsible Investment (PRI) and focuses on highlights from our ESG program in 2022.

Important Information

This ESG Annual Report (the “Report”) is provided by Oak Hill Capital Management, LLC (together with its affiliates, “Oak Hill Capital” or “Oak Hill”) for informational purposes only and is solely intended to provide an overview of the ESG processes and initiatives of Oak Hill and certain of its portfolio companies; it is not intended to describe the performance of any investment or company and should not be relied upon for any other purpose.

While Oak Hill integrates certain ESG factors into its investment process in accordance with its ESG policy, there is no guarantee that Oak Hill’s ESG policy will be successful or that it will create a positive ESG impact. In addition, applying ESG factors to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by Oak Hill, or any judgment exercised by Oak Hill, reflects the beliefs or values of any particular person or industry participant. There are significant differences in interpretations of what positive ESG characteristics mean by region, industry and issue, and these interpretations are rapidly evolving.

Oak Hill reserves the right to change its ESG Guidelines, standards, and requirements at any time.

The programs and policies set forth herein are aspirational and despite reasonable efforts may not be achieved and may be discontinued if Oak Hill in its reasonable discretion believes that it is appropriate to do so.

There can be no assurance that each portfolio company will achieve the ESG goals set forth herein, or that Oak Hill will be able to accomplish all of them. In some cases, implementation may be delayed or not achieved due to various factors.

The information contained in this Report may not necessarily be complete and may change at any time without notice. Oak Hill does not have any responsibility to update this Report to account for any such changes. Certain information contained herein may be “forward looking” in nature. Due to various risks and uncertainties, actual events or results of the actual performance of any Fund may differ materially from those reflected or contemplated in such forward-looking information. As such, undue reliance should not be placed on such information, and no individual or entity should rely on such information in connection with buying or selling any securities or making or selling any investment. Forward-looking statements may be identified by the use of terminology including, but not limited to, “may”, “will”, “should”, “expect”, “anticipate”, “target”, “project”, “estimate”, “intend”, “continue”, or “believe”, or the negatives thereof or other variations thereon or comparable terminology.

Oak Hill makes no representation or warranty, express or implied, with respect to the accuracy, reasonableness, or completeness of any of the information contained herein, including without limitation, information obtained from portfolio companies or other third parties. Some of the information contained herein has been prepared and compiled by the applicable portfolio company and has not necessarily been reviewed or independently verified or assured by Oak Hill or any other third party. Oak Hill does not accept any responsibility for the content of such information and does not guarantee the accuracy, adequacy, or completeness of such information.

This Report does not constitute an offer to sell, or the solicitation of an offer to buy, any security, product, or service, including interests in any investment fund managed by Oak Hill (the “Funds”). References to portfolio companies are intended to illustrate the application of Oak Hill’s ESG priorities only and should not be viewed as a recommendation of any particular security or company. Such references likewise do not mean that every portfolio company has implemented such programs or procedures. The investments described in the selected case studies were not made by any single Fund or other product and do not represent all investments purchased or sold by any Fund or other product. It should not be assumed that investments

in the securities or companies identified and discussed herein were or will be profitable. Any information provided in this Report about past investments is provided solely to exemplify various aspects of previously utilized ESG processes and strategies. Any past performance information provided herein is not indicative nor a guarantee of future returns.

Endnotes

Endnote 1, page 2: Regarding our belief that we are one of the first middle-market private equity firms to establish specific ESG guidelines/requirements for portfolio companies, we learned this through our partners at BSR, who work with a large number of private equity firms on ESG matters.

Endnote 2, page 3: Equity and debt co-investments include investments that were made by current, former or prospective limited partners through vehicles controlled and not controlled by Oak Hill.

Endnote 3, page 10: [“Trinity Consultants and GSCC Develop Global Standard to Measure and Report Carbon Emissions,”](#) April 26, 2023

Endnote 4, page 12: [“New Nonprofit Ownership Works Launches Movement to Help Create at Least \\$20 Billion in Wealth for Working Families Through Employee Ownership Programs,”](#) Ownership Works, April 5, 2022

Endnote 5, page 18: [“Check Point Research Reports a 38% Increase in 2022 Global Cyberattacks,”](#) Check Point Research, January 5, 2023

Endnote 6, page 21: [Global Risks Report 2023](#), World Economic Forum

Endnote 7, page 23: [FACT SHEET: Biden- Harris Administration Announces New Actions and Investments...](#), The White House, May 11, 2023

Endnote 8, page 23: [Residential Energy Consumption Survey](#), U.S. Energy Consumption Administration

Endnote 9, page 24: Oak Hill, and many other UN PRI Signatories, did not release a PRI Transparency Report for 2021 due to functionality issues during PRI’s update to its online reporting tool.

New York
65 East 55th Street
32nd Floor
New York, NY 10022

Menlo Park
3000 Sand Hill Road
Building 2, Suite 150
Menlo Park, CA 94025

Stamford
One Stamford Plaza
263 Tresser Boulevard, 15th Floor
Stamford, CT 06901



InvestorRelations@oakhill.com