

## A message from our CEO

Serving our clients by delivering attractive risk-adjusted returns from private and public credit investments is our most important mission. We believe that a responsible approach to investing that emphasizes a commitment to environmental, social and governance (“ESG”) management is integral to achieving this objective. Our aim is to understand and manage ESG risks in the same way we understand and manage credit and other risks in our investment process, while looking for opportunities to help create long-term sustainable businesses and optimize our investment outcomes. In support of this goal, HPS was proud to become a signatory to the United Nations-supported Principles for Responsible Investment (“PRI”) in January of 2021.

The HPS culture is defined by our actions and habits and the cornerstone of our culture is our robust investment process. We believe that mitigating risks and capturing opportunities stemming from ESG factors strengthens this process. It is in this regard that we are pleased to share with you the [“HPS ESG Integration Framework”](#), which outlines our approach to how we integrate ESG considerations into our investment process.

Over the years, in addition to delivering strong performance, we have provided more customized solutions in terms of mandate and structure for many of our clients. We believe this bespoke approach can also be applied to ESG considerations within the structure of this Framework. We want to provide our clients with the solutions they seek while understanding and managing the desired ESG impact and opportunities.

The environment we lived through in 2020 reminded us all that the safety and well-being of our employees is critical to our success. Our people are our most important asset; we cannot deliver on our mission or achieve our ESG objectives without them. We strongly believe that cultivating a diverse and inclusive environment where our employees are treated fairly is essential to achieving our goals. Moreover, we recognize that active engagement with the community is fundamental to practicing ESG and we are committed to promoting a spirit of giving back to the communities in which we work and live.

In this spirit, we have entered into a series of partnerships focused on enriching opportunity and equity across the finance industry. Chief among these is a multi-year partnership, totalling over \$10mm, with Howard University, one of the nation’s oldest and most prominent Historically Black Colleges and Universities. HPS’s financial support will be used to endow a scholarship program and develop the HPS Center for Financial Excellence at the Howard University School of Business. It is our hope that HPS’s commitment will create a unique platform for experiential learning, delivering high-impact programs as a bridge between the classroom and practical experiences for a successful career in finance.

The ESG landscape continues to evolve. We aim to be a leader in identifying and capturing the many opportunities in this area so that we continue to be a firm that makes our clients, partners and employees proud. As we move forward, and with the recognition that we have a lot more work to do, we welcome your thoughts.

Sincerely,

Scott Kapnick

Chief Executive Officer