AE Industrial Partners Modern Slavery Policy

I. Purpose

At AE Industrial Partners, LP (“AEI”, "Firm" or "us"), we believe that fair and equitable labor practices are foundational to the success of our firm and our investments. In this spirit, we do not tolerate the use of “modern slavery” in the operations or supply chains of our portfolio companies. The International Labour Organization characterizes modern slavery as an umbrella term which refers to situations of exploitation where an individual is unable to leave a place of work because of threats, violence, coercion, deception, or abuse of power.¹ This policy establishes the structures and processes by which AEI seeks to prohibit modern slavery.

II. Accountability

Issues pertaining to modern slavery, including child and forced labor, are managed at the portfolio company-level. Within AEI, the individuals designated as responsible for overseeing pre-investment diligence and ongoing monitoring of portfolio companies are responsible for assessing and responding to related risks, including escalation to other stakeholders at AEI as appropriate.

III. Processes

AEI’s environmental, social and governance (“ESG”) due diligence of target companies includes review of modern slavery risks and impacts for target companies’ operations. As part of this review, AEI assesses a target company’s 1) exposure to risk of modern slavery, 2) any actual or perceived incidents and the company’s response, and 3) capacity to prevent such practices from occurring through appropriate policies and procedures.

When material to the business, AEI also assesses modern slavery risks and associated impacts within a target company’s broader supply chain during initial due diligence. This review includes assessment of the target’s procedures for vetting and monitoring suppliers to ensure their adherence with local labor laws, as well as their capacity to prevent modern slavery within their operations.

Should modern slavery be considered high risk for a target company and/or its suppliers, AEI will take additional steps to ensure proper capacity is in place to prevent such practices. If needed, AEI will outline key recommendations to further enhance the target and/or supplier(s) programs to proactively address this risk. Further, AEI will identify higher risk suppliers for modern slavery and suggest additional measures to monitor these suppliers to prevent child/forced labor.