Harbert Management Corporation

Corporate Responsibility Annual Report

2025

Important Notices

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Past performance is not indicative of future results.

Opinions. Some of the commentary contained in this report reflects the opinions of HMC on the current market environment, which may not be indicative of actual conditions and is subject to change. Nothing contained herein should be construed as research or investment advice.

Case Study. The case studies presented herein were selected using "non-performance based objective criteria" and may not be representative of all transactions of a given type. They are intended to be illustrative of types of investments that may be made by HMC Funds that take into consideration and implement certain ESG initiatives. It should not be assumed that all HMC Fund investments consider or implement ESG initiatives.

ESG. ESG initiatives described in the report, including those related to HMC's and the Funds' portfolio companies and investments (collectively, "Portfolio Investments"), are aspirational and not guarantees or promises that all or any such initiatives will be achieved. Statements about ESG initiatives or practices related to Portfolio Investments do not apply in every circumstance and depend on factors including the relevance or implementation status of an ESG initiative, the nature and/or extent of investment in, ownership of, control or influence exercised by HMC with respect to the Portfolio Investment, and other factors as determined by investment teams, portfolio operations teams, and/or other relevant parties on a case by case basis.

Certain of the ESG initiatives or practices described in the report are less applicable to or not applicable at all with respect to HMC's Private Capital strategy. HMC does not consider or implement ESG initiatives for every Portfolio Investment. Any ESG initiatives considered do not take priority over HMC's objective to maximize risk adjusted returns for its investors.

The evaluation of ESG factors is generally qualitative and subjective by nature, and consequently there can be no assurance that any of the ESG initiatives described in the report will exist in the future, will be completed as expected or at all, will reflect the beliefs or values of any particular investor, or will apply to or be implemented uniformly across HMC, the Funds, and Portfolio Investments.

HMC's consideration of information and data voluntarily provided by a Portfolio Investment or obtained from a third-party could be incomplete, inaccurate or unavailable, which could cause HMC to incorrectly assess the Portfolio Investment's ESG practices and/or related risks and opportunities. ESG considerations and responsible investing practices are continuously evolving, and there are different frameworks, methodologies, and tracking tools being implemented by other asset managers. Therefore, HMC's approach to ESG consideration is not expected to necessarily align with the approach used by other asset managers or preferred by prospective investors or with future market trends.

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Certain risks. An investment in a Fund involves a high degree of risk and should be considered only by investors who do not require access to their capital and can withstand the loss of all or a substantial part of their investment. There can be no assurance that a Fund will achieve its investment objectives and performance may be volatile. A Fund may use leverage. The use of leverage may cause volatility in a Fund's performance. All investors should carefully review the "Risk Factors" and "Potential Conflicts of Interest" sections of a Fund's PPM or COM before investing, including the transfer and/or redemption restrictions applicable to interests in such Fund.

Forward-looking statements. This document may contain certain "forward-looking statements" that are based on our assumptions and judgments with respect to, among other things, future economic, competitive and market conditions. Such factors are difficult or impossible to predict accurately and many of them are beyond our control. Because of the significant uncertainties inherent in these assumptions and judgments, you should not rely unduly on these forward-looking statements, nor should you regard the inclusion of these statements as our representation that an HMC Fund will achieve any strategy, objectives or other plans. All forward-looking statements are made as of the date of this document. There is no obligation to update these forward-looking statements to reflect events or circumstances after the date hereof, nor is there any assurance that the policies, strategies or approaches discussed herein will not change.

No duty to update. The information contained herein is provided as of the date first set forth. None of HMC, HFA, or any of their affiliates assumes any duty to update any such information for subsequent changes of any kind.

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Harbert Management Corporation

Introduction

Letter from our Chief Executive Officer

As we reflect on 2025, I am pleased to share HMC's Corporate Responsibility Report, marking another year of disciplined, responsible investing on behalf of our stakeholders. Since our founding in 1993, our approach has rested on the same foundation: rigorous underwriting, preservation of capital, and a long-term view of value creation. What has changed, year over year, is the toolkit we use to uphold that foundation — and this year, no development has shaped that toolkit more than artificial intelligence.

Across the firm, we have moved deliberately to integrate AI into our investment and operational processes, not as a replacement for judgment, but as an accelerant to it. Our investment professionals are increasingly using AI-enabled tools to synthesize market data, inform risk analysis, and surface diligence insights more efficiently. Building on the technology partnerships we highlighted last year, we are expanding our use of AI-driven analytics, allowing our investment professionals to spend more time on the judgment calls that matter most.

We have approached this adoption with the same discipline we bring to capital allocation. In 2025, HMC developed an internal framework for responsible AI usage that addresses data privacy, model oversight, and the appropriate role of human review in AI-assisted decisions. We continuously evaluate the framework as technology evolves. We believe that as AI becomes more embedded in investment management, the firms that will earn continued trust from their investors are those that pair innovation with accountability. That belief guides how we deploy these tools today and how we will evaluate new ones going forward.

This same pragmatic lens continues to inform our broader ESG work. Our real assets strategies again demonstrated resilience amid a shifting macro environment, as we continue to sharpen how we evaluate physical and transition risk across our infrastructure and real estate holdings. As a UN PRI signatory, we continue to benchmark our practices against industry standards, and we remain committed to transparent reporting that gives our stakeholders visibility into how these considerations inform our decisions.

The HERO Foundation, now in its 28th year, continued its work of employee-led giving, awarding 17 grants in 2025 and providing gifts for 79 families, including 145 children, in our 2025 HERO Christmas Project. Our HERO Service Day assisted Grace House Ministries (a local non-profit foster care organization) in preparing their newest Grace Home. Our people-focused initiatives, including NextGen HMC and the Women's Forum continue to foster growth provide, mentorship and connection across our firm. Investing responsibly in our people remains as central to our mission as investing responsibly on behalf of our clients.

As we look to the year ahead, we recognize that technology, including AI, will continue to reshape our industry at a rapid pace. We intend to meet that pace thoughtfully while embracing innovations that enhance our ability to serve our investors, holding firmly to the values of integrity and stewardship that have guided HMC since our founding. I remain grateful to our team for their continued commitment to doing this work well, and to our investors for their continued trust.

Sincerely,

J. Travis Pritchett
President & Chief Executive Officer

Who We Are

Harbert Management Corporation ("HMC") aspires to be a trusted, integrated alternative asset manager that consistently delivers alpha across the risk spectrum and attracts, develops, and retains high-quality talent.

HMC is an investment management firm focusing on alternative assets. We are disciplined, opportunistic investors who invest alongside our clients on equal terms and conditions.

A privately owned firm founded in 1993, HMC serves foundations, endowments, fund of funds, pension funds, financial institutions, insurance companies, family offices, and high net worth individuals across multiple asset classes.

We are investors first. Substantial HMC affiliate capital is invested in each fund vintage on the same terms and conditions as other investors.

Our fund strategies employ fundamental, bottom–up investment analysis, and we do not invest based solely on momentum or mathematical models.

Our disciplined approach to managing downside risk is critical to preservation of capital.

Our institutional-quality operational infrastructure provides our clients with the appropriate level of transparency across all strategies.

FOUNDED
1993

AUM [1]
$7.9bn

INVESTMENT STRATEGIES
8

EMPLOYEES
140+

1. Regulatory Assets Under Management ("AUM") as of July 31, 2026

Mission

Our actions consistently reflect our values - building a firm our partners trust and a culture where our people take pride, grow, and thrive

We are Investors
We deploy capital with conviction and discipline

We are Stewards
We are guided by a deep responsibility to protect and grow the trust placed in us by our clients and partners

Our clients are at the center of everything we do

Our Values

Disciplined Entrepreneurship
We pair entrepreneurial initiative with rigorous analysis and accountability - acting with conviction while managing risk with care

Uncompromising Excellence
We hold ourselves to the highest standards in investment judgment, execution, and outcomes - continuously striving to improve and outperform

Service Culture
We serve our clients with dedication and integrity and contribute meaningfully to the communities in which we operate

Collective Intelligence
We collaborate across our platforms to strengthen the enterprise and unlock the best opportunities for our investors

Authentic Partnerships
We are genuine, transparent, and principled in how we operate. We build trust through honesty, humility, and long-term relationships that support sustainable value creation over time

About This Report

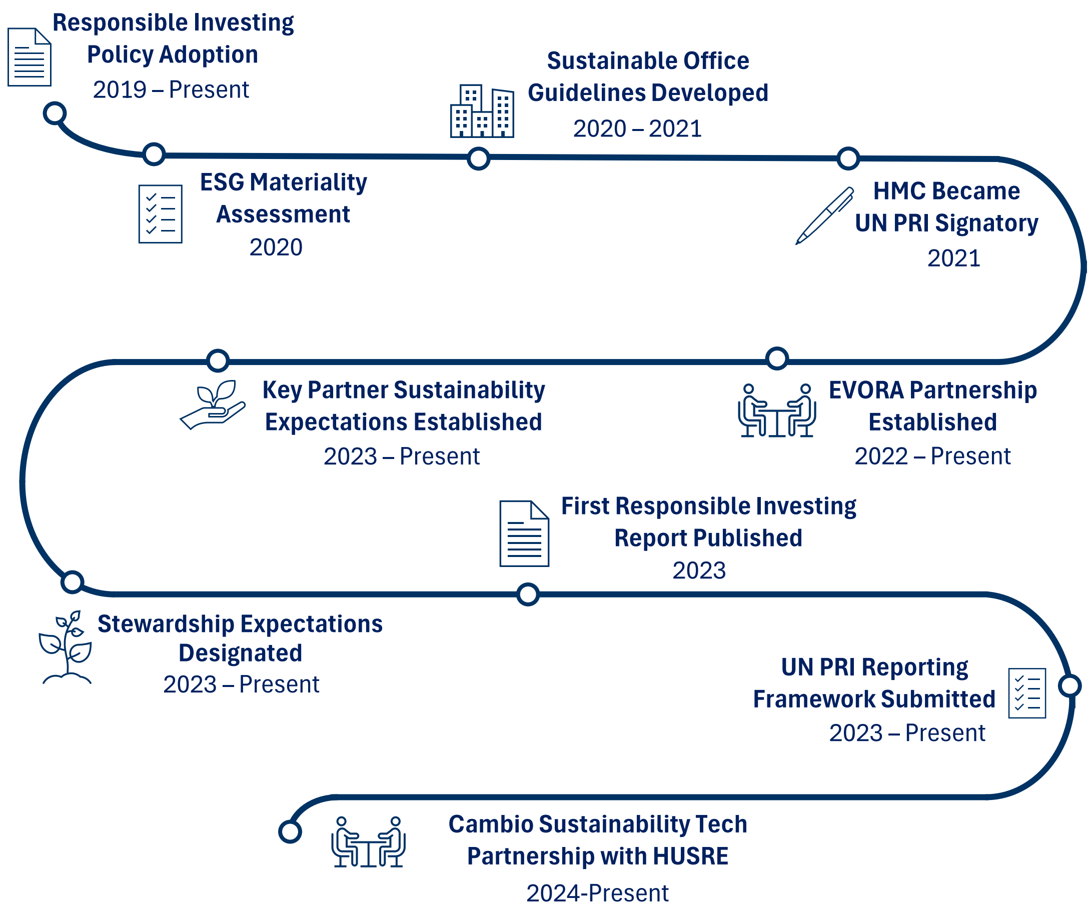
Over the past 30 years, HMC has consistently assessed the impact of our business on the people, places, and assets in which we invest. While HMC's investment strategies span multiple asset classes and countries, our approach to responsible investing is maintained across the firm. Meaningful partnerships, innovative practices, and strategic investments drive our responsible investment initiatives.

It is our belief that, together, we can build a more resilient and prosperous future through responsible business practices. We invite you to explore this report and learn more about where we are and where we are going on our sustainability journey.

Serving as our third report, the following content contains quantitative data from 2025.

OUR HISTORY OF RESPONSIBLE INVESTING

A sample of our most recent efforts.



HMC's Commitment to Corporate Responsibility

HMC prides itself on its history of managing its operations and its investment strategies with the utmost integrity. We believe that through commitment, documentation, and adherence to formal responsible investing principles, the management of our business can enhance the already positive impact being made in our communities. The formal policies highlighted below are available upon request and codify our commitments to responsible investing principles.

Responsible Investing Policy

Emphasizes the commitment HMC has made to investing capital in a responsible manner and sets forth our objectives of integrating ESG principles into applicable business practices; furthering principles of responsible investing through stakeholder engagement; and encouraging accountability through transparency with our investors and other stakeholders.

Exclusion Policy

Identifies specific investments in which HMC-sponsored funds will not participate, as we have a responsibility and standard to uphold for all stakeholders, including but not limited to our investors, investment teams, transaction partners, operating partners, and employees. Any investments that do not meet the exclusion policy criteria will be excluded or divested from the investment portfolio as soon as possible.

Stewardship Policy

Sets forth a variety of tools HMC may use to achieve its stewardship objectives across the entirety of its investment strategies, including Real Assets and Private Capital. The stewardship practices implemented for each investment strategy, or even for assets within a single strategy, may vary but in each case will operate to support HMC's overall stewardship objectives.

Our Approach to Governance

The firm’s Corporate Responsibility Committee is accountable for developing and implementing HMC’s Responsible Investing Policy as well as regularly reviewing the policy for necessary revisions or improvements.

The Corporate Responsibility Committee is composed of 10 representatives of executive management, investment teams, and fund administration. HMC’s Board of Directors provides ultimate oversight of the firm’s responsible investing efforts.

Corporate Responsibility Committee

Thomas Hicks
Vice President, Head of Data Operations
Committee Chair

Travis Pritchett
President & CEO

John Harbert
Executive Vice President

Bufkin Frazier
Vice President &
Deputy General Counsel

Brandon Kusibab
Vice President
Investor Reporting

Ryan Benevides
Principal, Portfolio &
Asset Management, HERE

Kirk Stafford
Vice President
Asset Management,
HPF

Andrew Ryan
Chief Information Officer

Michael Waldrum
Senior Associate,
HUSRE

Cynthia Ho
Managing Director, Project Management
Capital Formation

UN PRI Reporting

HMC's 2025 UN PRI Reporting Year

In 2025, HMC completed its second reporting cycle as a United Nations Principles for Responsible Investment signatory, building on the strong foundation established during our inaugural year. The comprehensive reporting process continued to benchmark our ESG integration practices against global standards and industry peers while demonstrating our commitment to the six Principles for Responsible Investment.

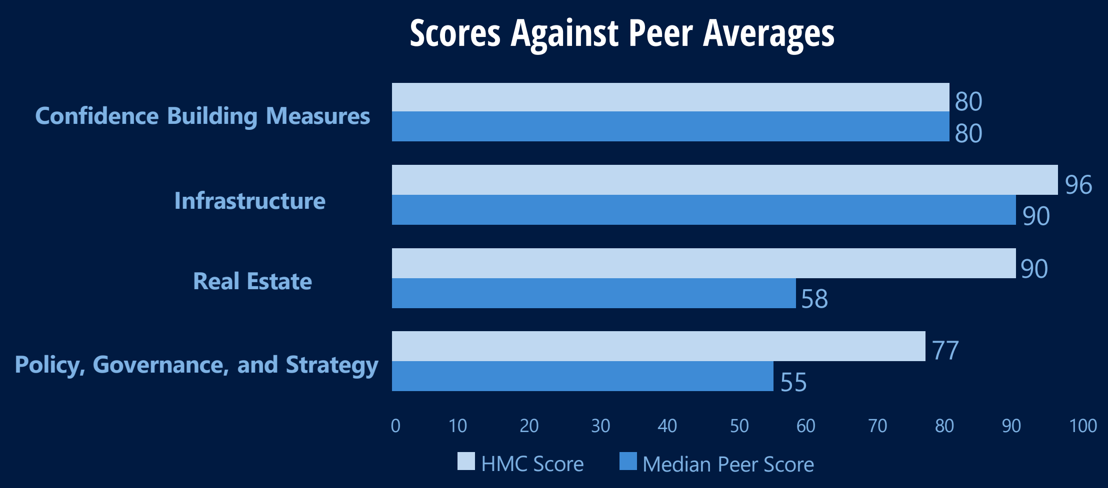
Our second submission reflected meaningful progress, most notably in Policy, Governance, and Strategy, where HMC improved from the 64th to the 77th percentile, well above the peer median of the 55th percentile. Our Infrastructure and Real Estate modules maintained their strong performance, scoring in the 96th and 90th percentiles respectively, each continuing to outperform their peer medians of 90% and 58%, respectively. Confidence Building Measures held steady at the 80th percentile, in line with the peer median. These results reinforce the effectiveness of our approach to integrating internationally-recognized ESG standards and considerations into our responsible investing and corporate responsibility initiatives.

We are encouraged by the year-over-year improvement in our scores and the continued strong performance across all modules. This progress validates our ongoing efforts to strengthen our corporate responsibility practices and refine our responsible investment approach.

Please see below our overall scores against Peer Averages.

UN PRI SCORING

Overall scores against Peer Averages



Signatory of:

PRI Principles for Responsible Investment

Note: HMC pays an annual FEE as a UN PRI signatory. PRI signatories are required to self-report publicly on their responsible investment activities each year. In turn, HMC receives an Assessment Report which includes scores and peer rankings based on UN PRI's internal methodologies.

Harbert Management Corporation

2025 Fund Level Highlights

Harbert U.S. Real Estate

Below are highlights from key properties in our portfolio

Sustainability Initiatives Spotlight

Madera Ridge

Madera Ridge exemplifies HUSRE's strategic commitment to environmental stewardship through significant renewable energy investments. In 2025, the property's solar implementation continued to deliver substantial environmental benefits and operational efficiencies while supporting HUSRE's sustainability objectives.

Energy Savings Achievement

The rooftop solar panel installation generates approximately 392,018 kWh of clean energy annually, delivering meaningful environmental impact. The annual CO_2 emissions avoided equate to 277 metric tons, demonstrating the property's contribution to reducing carbon footprint.

Return on Investment

This solar installation represents a cornerstone achievement in HUSRE's broader strategy to implement renewable energy solutions across suitable properties in its portfolio. Beyond the environmental benefits, the project continues to deliver operational cost savings while enhancing the property's value proposition for environmentally conscious residents.

Looking Forward

The success of Madera Ridge's solar initiative has served as a blueprint for similar implementations being evaluated across other properties in the HUSRE portfolio, reinforcing our commitment to responsible resource management and sustainability-focused operational practices.

Madera Ridge

San Diego, CA

392,018 kWh
Clean Energy Generated Annually

277 metric tons
Carbon Dioxide Emissions Eliminated Annually

Harbert U.S. Real Estate

Below are highlights from key properties in our portfolio (continued)

Sustainability Initiatives Spotlight

CHP Portfolio

The CHP Portfolio continues to demonstrate HUSRE's commitment to environmental sustainability through significant energy efficiency improvements implemented in 2024. To date, HUSRE has invested over $1.5 million in capital improvements with another $1.9 million planned through 2028 on HVAC upgrades, new LED lighting, and improved systems to reduce water waste.

Energy Efficiency Investments

- The CHP Portfolio improvements realized an annual energy savings of approximately 1,182,493 kWh in 2024 and 2025 through strategic lighting and equipment upgrades.
- Completion of comprehensive LED lighting retrofits across four properties
- Installation of high-efficiency HVAC equipment with smart controls across the portfolio, delivering improved operational efficiency
- Implementation of building automation systems to optimize energy usage based on occupancy patterns and environmental conditions

Return on Investment

- The completed projects represent an average payback period of 2.2 years
- The combined annual utility cost savings from the 2024 and 2025 improvements are projected at $101,069, demonstrating that sustainability investments enhance both environmental and financial performance

CHP Portfolio

Chicago, IL

1,182,493 kWh
Annual Energy Saved in 2024 and 2025

608 metric tons
Carbon Dioxide Emissions Eliminated Annually

2.2 years
Average Payback Period

$101,069
Annual Utility Cost Savings

Harbert U.S. Real Estate

Below are highlights from key properties in our portfolio (continued)

Sustainability Initiatives Spotlight

Parkside at Craig Ranch

Parkside at Craig Ranch exemplifies HUSRE's commitment to technology-forward, environmentally conscious property management while creating meaningful community impact.

Smart Technology Implementation

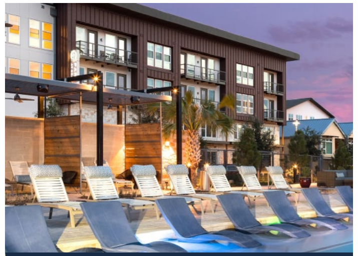
- Since 2022, over 1,800 Smart Home systems have been installed that include smart locks, smart thermostats, leak sensors, smart light switches, and a central hub creating a closed ecosystem
- This smart home technology has substantially increased efficiency for on-site teams by alleviating administrative burden for managing vacant units' electricity use and allowing remote access to unoccupied units
- The leak detection technology has enabled the onsite team to identify issues quickly before they have time to spread and cause more widespread damage. This has also helped to improve insurance premiums with our carriers

Landscape Replacements and Water Conservation

- Executed reconstruction plans for exterior common areas in 2025 that included significant landscape replacements following a substantial freeze event and improved landscape design that has reduced overall water consumption
- Completed significant property upgrades and repairs in conjunction with the City of McKinney to strengthen the relationship with local officials and provide a high standard of living for residents

Community and Social Impact

- Offers flex rent payment solutions that improve resident cash flow and credit while boosting NOI and retention, with $10.7 million collected via the program since implementation in 2021
- Hosted a bed building event at Parkside that delivered 50 beds to families in need in the Allen/McKinney area
- Donation bins located inside the community in partnership with Operation Kindness diverted 27,890 lbs. from landfills



Parkside at Craig Ranch

McKinney, TX

16,172 kWh
Annual Energy Savings from Parking Garage LED Retrofit

11.8 tons
Annual Energy Savings in Carbon Dioxide Reduction

$10.7 million
Total Flex Rent Solution

$90,000
Raised for Local Charities With 2025 BH Sleep in Heavenly Peace

Harbert U.S. Real Estate

Below are highlights from key properties in our portfolio (continued)

Sustainability Initiatives Spotlight

Signature Ridge

Signature Ridge demonstrates HUSRE's commitment to energy efficiency and water conservation through significant investments in property upgrades and renovations.

Energy Efficiency Investments

— Implemented energy-saving fixtures that deliver approximately 90,150 kWh saved each year with the current 85 renovated units

— Upon completion of all 142 units, energy savings are projected to reach 153,820 kWh annually

— Converted over 600 breezeway lights to LED, resulting in approximately 250,000 kWh estimated energy savings annually

— Converted over 600 patio lights to LED, resulting in approximately 190,000 kWh estimated energy savings annually

Water Conservation

— Implemented water-saving fixtures that deliver approximately 101,800 gallons of water saved annually with the current 85 renovated units

— Upon completion of all 142 units, water savings are projected to reach 170,100 gallons annually

Signature Ridge

San Antonio, TX

170,100 gallons
Projected Water Savings Annually Upon Completion

153,820 kWh
Projected Energy Savings Annually Upon Completion

Tech Spotlight - HUSRE

Cambio

In 2025, HUSRE continued its strategic partnership with Cambio to enhance its sustainability data management and reporting capabilities across its U.S. real estate portfolio. Cambio was rolled out across all HUSREF VIII properties in 2024 along with select assets in other vehicles. This collaboration has proved to be a significant advancement in HUSRE's ability to efficiently track, measure, and report metrics across diverse property types. By implementing Cambio's comprehensive platform, HUSRE gains enhanced visibility into sustainability performance indicators, carbon footprint data, and energy optimization opportunities.

The Partnership Enables HUSRE to:

— Automate data collection processes across multiple properties

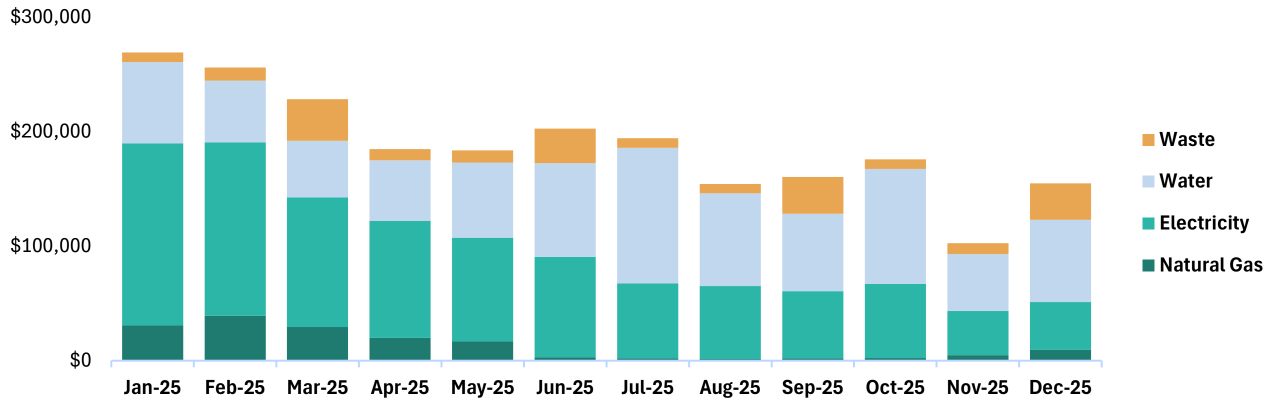
— Generate comprehensive ESG reports aligned with industry standards

— Identify efficiency opportunities through predictive analytics

— Track sustainability KPIs with greater precision and transparency

— Streamline compliance with evolving reporting requirements

HUSRE 2025 Utility Spend Summary



CAMBIO

Key Benefits

Enhanced Reporting Capabilities
The technology enables HUSRE to generate detailed reports customized for different stakeholders, from investors and regulatory bodies to property managers and sustainability teams.

Predictive Analytics. By leveraging AI and machine learning algorithms, Cambio helps identify patterns and opportunities for operational improvements, enabling proactive energy and resource management.

Benchmarking and Performance Tracking
The platform allows HUSRE to compare sustainability performance across properties, against industry standards, and over time, supporting continuous improvement initiatives.

Harbert European Real Estate

The HERE investment team is committed to a process of continuous integration of sustainable practices across our business wherever we own, manage or develop properties through our funds

Commitment to Responsible Investing

HERE is proud to report that 70% of HEREF V's and 64% of HEREF VI's investments have fundamental ESG characteristics including certifications and/or the highest possible energy performance ratings. In addition to seeking property ratings and certifications where possible from third parties such as BREEAM, HERE works with its managers and partners to create opportunities for large scale implementation of sustainability initiatives at the investment level. Below are highlights from key properties in our portfolio.

CODE FOR A SUSTAINABLE BUILT ENVIRONMENT
BREEAM

Delivering Solar in France

The portfolio of newly acquired multi-let industrial forward-funding assets in France follow our commitment to sustainable investment by being built to BREEAM Excellent or Very Good ratings.

Orly Asset

France Urban Industrial Portfolio

HEREF VI has committed to the forward funding of eight new institutional-quality light-industrial assets in France, comprising six assets in key regional cities and two in the Paris Region. Together, the portfolio will deliver approximately 65,000 sqm of lettable space.
Sustainability is embedded in the design and delivery of the portfolio. Six of the assets are targeting BREEAM Very Good certification, while two assets are targeting BREEAM Excellent, reflecting the fund's objective to achieve the highest practicable green building standards across its investments.

Key sustainability features include:

- Rainwater management and treatment systems
- Double-skin insulation across all buildings
- Electric vehicle charging infrastructure
- Rooftop solar panels covering more than 30% of roof surfaces, among others.

Croissy Asset

These features are expected to reduce environmental impact, improve operational efficiency and support occupier demand for sustainable, future-ready premises. By combining high-quality construction, strong environmental credentials and risk-controlled delivery, the portfolio is well aligned with the Fund's ESG objectives and its broader strategy of investing in resilient, modern industrial assets that meet the evolving requirements of institutional investors and progressive occupiers.

Harbert European Real Estate

Sustainable Living in Ireland

Mountjoy

Responsible Living Investment

HERE's Mountjoy investment is a purpose-built multifamily community operated in partnership with Node. The asset provides high-quality rental homes managed to institutional standards, with resident experience and operational efficiency at the center of the offering.

Consistent with HERE's practice across its living portfolio, the asset will be BREEAM certified once the property reaches stabilized occupancy. Seeking recognized third-party standards supports environmental performance and long-term institutional appeal. Sustained resident demand has supported high occupancy and durable income, positioning the asset for an orderly transition to a core institutional owner.

Commitment to Social Impact and Resident Wellbeing

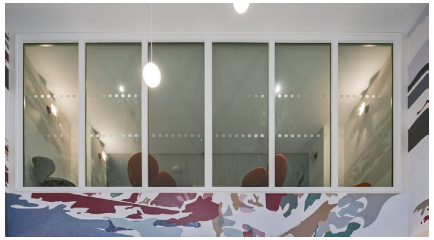
Operated in partnership with Node, Mountjoy is designed around resident experience, service quality and a sense of community. Professional on-site management supports residents throughout their tenancy and underpins the high occupancy and retention that sustain durable income.

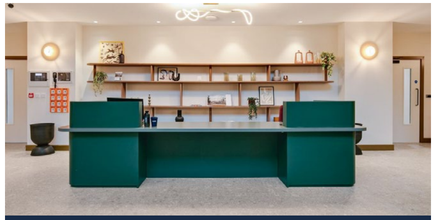
Well-managed rental housing also contributes to the supply of quality homes in Dublin, where demand for professionally operated accommodation continues to outpace availability.

BREEAM
Certification to be delivered in 2026

A
Building Energy Rating (BER)

114
Professionally Managed Rental Homes





Mountjoy

Harbert Power

HPF is committed to a comprehensive climate risk management as a core component of our responsible investment approach. We conduct risk assessments across our portfolio of energy assets spanning multiple states, geographies, and climate zones

Climate Risk Management

With over three decades of infrastructure investment experience, HPF specializes in acquiring infrastructure assets with proven technologies across North America. The investment approach targets power assets including but not limited to: wind and solar assets, as well as the gas-fired generation which will continue to play an important role in the transformation of the U.S. power generation landscape to reduce carbon emissions.

HPF is a long-time adopter of climate risk considerations in their investment process, having participated in the inaugural Global Real Estate Sustainability Benchmark ("GRESB") annual assessment for 2015 and each subsequent annual assessment. HPF routinely monitors and reports on the production and emissions practices of its underlying assets, ensuring that they operate in accordance with their respective environmental permits and restrictions.

Desert Sunlight - CA

2025 GRESB Highlights

Gulf Pacific Power: For the past five years, ranked in the top 10 for the Americas Diversified Infrastructure Private Equity Funds

Gulf Plains Wind: Ranked #1 U.S. On-Shore Wind Power Generation Asset

Desert Sunlight: Ranked #2 U.S. Solar PV Power Generation Asset

Rocky Caney: Ranked #4 U.S. On-Shore Wind Power Generation Asset and achieved GRESB Five Star Status

GRESB Average Score: HPF-managed assets achieved a combined average score of 90%

Note: GRESB is a mission-driven and investor-led organization providing standardized and validated ESG data to the capital markets. Established in 2009, GRESB has become the leading ESG benchmark for real estate and infrastructure investments across the world. GRESB coverage for infrastructure includes more than 540 infrastructure portfolios and assets.
Third Party Rule Requirement: HMC pays a participation fee to GRESB in order to receive a GRESB score. GRESB does not rank non-participating entities/assets.

Harbert Growth Partners

The HGP team is committed to a responsible investment approach that integrates sustainable business practices into the evaluation and management of portfolio companies to drive long-term value creation and strategic growth.

2025 Responsible Investing Spotlight

With over 20 years of investing experience, HGP focuses on emerging growth-stage technology companies that have achieved product-market fit and are poised to scale. By strategically investing in regions outside Silicon Valley, primarily in the Mid-Atlantic, Southeast, and Southwest, HGP identifies opportunities in less competitive markets where companies can develop sustainable business models while pursuing substantial growth.

The investment team believes that responsible investment practices in the technology sector not only mitigate risk but also contribute to sustainable business models that drive enhanced returns. Below are some 2025 highlights from our portfolio companies.

Apkudo

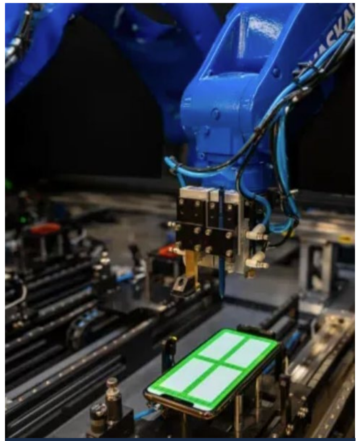
Apkudo showcases HGP's focus on technology solutions that promote circular economy principles and supply chain efficiency. The company provides supply chain automation solutions spanning the entire lifecycle of connected devices, from certifying new devices for launch to optimizing liquidation of refurbished products. Apkudo's approach addresses a critical environmental challenge in the technology sector: the growing volume of electronic waste from discarded devices.

Key 2025 achievements include:

— Launched the Device Passport, an AI-powered, persistent digital identity that tracks each connected device's condition, ownership, repair history, and movement throughout its lifecycle—enabling transparency and compliance with global regulations like the EU's circular economy directives

— Named to the Inc. 5000 list of fastest-growing private companies for the third consecutive year, highlighting the company's continued growth and leadership in the device-lifecycle and sustainability space

apkudo



Baltimore, MD

Harbert Growth Partners

Hello Alice

Hello Alice exemplifies HGP's commitment to social impact through technology-enabled investment. The platform provides software and services that connect entrepreneurs and small business owners to curated resources, experts, opportunities, and communities that support business formation and growth. This mission directly addresses social inequalities in entrepreneurship while creating sustainable business value.

In 2025, Hello Alice enhanced its impact by:

— Partnering with PayPal on a year-long initiative to support ~1.5 million solopreneurs with financial tools, training, and community events, with Hello Alice powering the digital infrastructure for the initiative

— Launching the Cash Flow Booster Kit in partnership with QuickBooks, a free toolkit and virtual boot camp to help small businesses improve cash flow and funding readiness

— Deepening collaborations with leading financial partners such as Allstate, FedEx, Progressive, H&R Block, and more through grant programs

Through these initiatives, Hello Alice has facilitated capital distribution across a diverse range of industries. Hello Alice remains committed to small business owners, helping to provide access to capital, connections, financial education, and AI-driven business planning tools

Houston, TX

Harbert Growth Partners

TemperPack

TemperPack represents HGP's investment in environmentally responsible product innovation, providing sustainable thermal packaging products for customers in the perishable food and life sciences industries. TemperPack's innovative ClimaCell product allows customers to protect temperature-sensitive shipments while reducing packaging waste through fully curbside-recyclable materials, directly addressing the environmental challenges of traditional packaging.

In 2025, TemperPack enhanced its impact by:

— Launching the Qualified Shipper Program to help life science and pharmaceutical companies replace EPS foam coolers with its sustainable, fiber-based insulation solutions and simplify the transition to recyclable and compostable cold-chain packaging while meeting stringent thermal-performance standards

— Achieved USDA Certified Biobased Product status for its Green Cell Foam™ and ClimaCell® packaging, validating that its materials meet rigorous federal standards for renewable, plant-based content

— Opened a new Michigan manufacturing facility, expanding production capacity by 60% with upgraded equipment and enhanced technology to meet growing demand

Richmond, VA

Harbert Management Corporation

2025 Firm Level Highlights

Corporate Responsibility Spotlight

Responsible Use of Technology and AI

HMC is proud to highlight employees who lead corporate responsibility initiatives both within their team and across departments, recognizing that meaningful impact often begins with individual commitment and leadership. By celebrating these team members' contributions, we aim to foster a culture where sustainable thinking and community engagement are embedded throughout our firm's operations and investment approaches.

Interview with Andrew Ryan

Andrew Ryan
Chief Information Officer

As HMC's Chief Information Officer, Andrew Ryan brings more than 20 years of experience across engineering, IT, cybersecurity, and enterprise architecture. Before HMC, he served as Chief Technology Officer of Trak Capital, Global Vice President at SAP, and General Manager at Medallia, following earlier engineering and product roles at several Birmingham-based software companies.

Andrew's role within HMC's Corporate Responsibility Committee provides his perspective on how technology, data, and risk complement the committee's work to advance the firm's responsible investing practices. From cybersecurity and data stewardship to vendor evaluation and the responsible adoption of AI, his role connects the technology that supports our investment professionals to the governance standards our investors expect.

See Andrew's interview on the following page, as he discusses the CIO's role in advancing corporate responsibility, how technology supports HMC's investment teams as stewards of investor capital, our approach to evaluating sustainability technology partners, and our framework for adopting AI responsibly.

Corporate Responsibility Spotlight

Interview with Andrew Ryan

QUESTION: As HMC's Chief Information Officer, you joined the Corporate Responsibility Committee this year. From your seat, how does the technology function connect to HMC's approach to responsible investing per. What perspective do you hope to bring to the committee as we evolve our practices?

ANSWER: Technology touches nearly every commitment we make to our investors, from protecting their data to governing the tools our people use to standing behind the numbers we report. Investor due diligence questionnaires increasingly ask how we manage cyber risk and how we govern AI, and those questions sit at the intersection of technology and corporate responsibility, so joining the committee was a natural extension of work my team was already doing.

The perspective I hope to add comes from more than 20 years in product and software, working across the full software development lifecycle. That background shapes how I think about governance, because in software a commitment only counts if it survives testing, review, and deployment, and I believe the same standard should apply to the commitments we make as a firm. Governance holds up best when it is designed into the systems people use every day, so that the controls, the logging, and the accountability are simply part of how the work gets done rather than a separate exercise. Where I think I can help the committee most is making sure there is real machinery behind the principles we have agreed on, so that when an investor asks how we do something, we have both the answer and the data behind it.

QUESTION: HMC's investment strategies integrate ESG considerations into their diligence and asset management processes in different ways. How does the technology infrastructure you oversee support our investment professionals in their roles as stewards of investor capital, and what role does technology play in equipping them to make better-informed decisions on the responsible investing factors that touch their portfolios?

ANSWER: My job is to make sure the person making the investment decision has the most relevant information available and knows where it came from. On the responsible investing side, that increasingly comes down to data. Platforms like Cambio across our U.S. real estate portfolio and Amber in Europe give our teams the ability to efficiently track, measure, and report sustainability performance across those properties.

Every technology partner goes through the same due diligence before anything touches our environment, whether it is a sustainability platform or an AI tool. We look at security posture, data handling, and where the data is processed.

Corporate Responsibility Spotlight

Interview with Andrew Ryan (continued)

QUESTION: HMC is entrusted with sensitive information about our investors, employees, and portfolio companies. How do you think about the responsibility that comes with being a custodian of that data, and how has our approach to cybersecurity and information governance evolved to meet a threat landscape that grows more complex every year?

ANSWER: In 2025 we ran a series of firm-wide cybersecurity initiatives intended to put us in the strongest possible position to defend against these threat actors. We eliminated personal computers for corporate access, enrolled every mobile device that touches HMC systems into device management, restricted Office 365 to managed devices only, and enrolled every employee through quarterly security awareness training. Our security program is aligned with the NIST Cybersecurity Framework 2.0, and each year we undergo third-party penetration testing and an independent security risk assessment against NIST SP 800-171. We actually let the testing firm install their own appliance inside our network and try to move laterally, spray passwords, and sniff data (everything a real attacker would do if they got in). This year they could not find a single vulnerability. That was a great result, but we are not treating it like we are finished. We will do it all again next year.

Cybersecurity has become a front-office issue in our industry, and we treat it as one.

QUESTION: Looking ahead, what excites you most about the role technology can play in advancing responsible business practices at HMC, and where do you see the most important work for our team over the next few years at the intersection of technology, governance, and investor stewardship?

ANSWER: What excites me most is what these technology tools unlock in experienced people. AI amplifies whatever you already are, and HMC is full of professionals with decades of judgment, pattern recognition, and hard-won intuition. We are developing tools that assist in productivity, reduce redundancy, and improve efficiency. Our teams are rethinking workflows to leverage new technology and can process more information to make better informed decisions.

The most important work ahead is making sure our governance keeps pace with that adoption. Investors and regulators are going to ask harder questions about AI oversight, and I want us holding the answers before they ask: documented use cases, auditable controls, and a continuity plan if a critical tool goes down. Routine work is getting cheaper. Judgment is not. The firms that understand that distinction, and can prove it in their systems, are the ones investors will trust. I intend for HMC to be one of them.

The HMC Employee Experience

Investing in Our People

Our Most Valuable Asset

HMC prioritizes sustaining a working environment where employees can grow and succeed. We offer a dynamic, professional experience where employees enjoy engaging relationships with talented colleagues in an exciting and collaborative culture. HMC sponsors social and team building events periodically throughout the year to promote employee camaraderie and a positive firm culture.

2025 Best Places to Work

HMC has earned recognition as one of Pensions & Investments' Best Places to Work in Money Management for the seventh consecutive year. This prestigious industry distinction is determined through a comprehensive evaluation process that assesses workplace policies, benefits, and employee satisfaction through confidential surveys and detailed organizational assessments.

Our consistent recognition reflects HMC's ongoing commitment to fostering a collaborative culture where talent thrives through professional development opportunities, competitive benefits, and meaningful work-life balance initiatives.

John M. Harbert III Award

The John M. Harbert III Award, HMC's highest honor, recognizes employees who demonstrate a strong work ethic, recognize and capitalize on opportunities and do so with the entire organization in mind. Seeko Kawakami-Gavina has been named the 2025 recipient for her exceptional contributions to HMC.

Seeko was a steady presence during a period of immense change in HMC's London office with multiple new hires including a new co-Head of European Real Estate and a new Head of Capital Formation for Europe. Seeko took all of this change in stride while taking the initiative on client outreach and managing a CRM transition.

Seeko Kawakami-Gavina
Associate – Capital Formation
2025 John M. Harbert III Award Recipient

The HMC Employee Experience

Investing in Our People

Our Most Valuable Asset

Women's Forum

Now in its fourth year, the HMC Women's Forum continues to advance professional development, coaching, and networking for the women of the firm. The 2025 events featured a range of programming, from a midyear session learning from Alyson Van Hoover on leadership development to a practical discussion on organization led by HMC's own Stephanie Lee. The year closed with Sharon Lovoy guiding the group through conflict resolution, giving members concrete tools to navigate difficult dynamics at work and beyond.

NextGen

HMC launched NextGen in April 2023 with the intention of solidifying a sense of community and alignment between HMC's senior management and young professionals. NextGen's overarching mission is to support and invest in the next generation of investment management professionals.

In 2025, NextGen participated in the DISCO Epic Read-A-Thon, a 24-hour virtual reading event to benefit hundreds of students through DISCO's in-school writing programs.

Women's Forum

2025 Steering Committee

NextGen

2025 "Night at the Ballpark"

The HMC Employee Experience

HERO FOUNDATION
Harbert Employees Reaching Out

HERO was established in 1998 and provides direct financial assistance to help individuals and families who have been affected by natural disasters, medical conditions or temporary financial hardships to regain their independence and self-sufficiency. We identify those in need through employee referrals and partnerships with various community groups. HERO is proud to be employee-led and funded. Individuals from across the firm are encouraged to participate in various committees focused on fundraising, grant-making and management

HERO Golf Tournament

The 27th Annual HERO Golf Tournament was held in September 2025 at Vestavia Country Club. Twenty teams participated and, once again, the tournament was a success raising approximately $58,000.

$58,000
Raised in 2025

HERO Christmas Project

The HERO Christmas Project provided gifts for 79 families and 145 children in 2025. The Christmas Project started with 12 children in 1999 and has grown to over 100 children in the past few years. Since inception, approximately $747,000 has been allocated to the Christmas Project. Bikes, toys and clothing items were purchased by HERO volunteers.

2025 Participating Organizations:
Children's Harbor, Children's of Alabama, Grace House Ministries, Children's Rehabilitation Services, Employee referrals, and YWCA Central Alabama

145
Children Gifted in 2025

837 grants
Awarded since 1998

28 years
Serving community

17 grants
Awarded in 2025

HERO FOUNDATION PARTNERSHIPS

- Alabama Department of Rehabilitation Services
- Alabama Head Injury Foundation
- Alabama Oncology Foundation
- Catholic Center of Concern
- Central Alabama Home Care
- Children's of Alabama
- Children's Rehabilitation Services
- Community Furniture Bank
- Disability Rights & Resources
- Grace House Ministries
- Libby's Friends
- Red Mountain Grace
- Shelby County Emergency
- State of Alabama Independent Living
- YWCA Central Alabama

RED MOUNTAIN GRACE

GRACE HOUSE ministries, inc.

AHiF

eliminating racism empowering women ywca Central Alabama

Children's of Alabama®

Alabama Oncology FOUNDATION

Harbert Management Corporation

Conclusion

Commitment

HMC is dedicated to fostering a workplace that champions environmental stewardship, sustainable business practices, and professional development. Throughout the year, HMC demonstrates this commitment across all operations, from the investments we make in our funds to the investments we make in our employees.

Conclusion

Reflecting on our initiatives and impact in 2025

HMC remains steadfast in our commitment to investing responsibly while delivering strong risk-adjusted returns for our clients. This year's report illustrates how our firm is pairing discipline with innovation. HMC is thoughtfully integrating artificial intelligence into our business processes, while strengthening our cybersecurity and governance frameworks. Our investment teams continue to drive measurable sustainability outcomes across their portfolios, which has been reflected in our UN PRI reporting and assessment.

Our HERO Foundation, NextGen, and Women's Forum programs remind us that investing responsibly in our people is as central to our mission as investing responsibly on behalf of our clients. As the investment landscape continues to evolve, we remain committed to pairing innovation with accountability, positioning HMC for long-term success in an increasingly complex global environment