

### **1. Our Values; Purpose**

PPC Investment Partners LP DBA Pritzker Private Capital ("PPC") believes that integrating environmental, social and governance (ESG) principles into our investment and company oversight processes is necessary to achieve long-term risk-adjusted financial returns. PPC believes that it can achieve better financial and non-financial outcomes by (i) incorporating ESG risk analysis into its investment diligence process and (ii) partnering with its family of companies to serve as a resource in helping them develop tailored, independent ESG programs. The purpose of this Environmental, Social and Governance Policy (this "Policy") is to serve as a framework to guide such efforts.

### **2. Policy Administration**

PPC has designated an ESG Officer to help lead PPC's ESG program and operating company-specific initiatives. PPC has also established an ESG Committee with support of senior firm management to oversee and administer this Policy and to provide strategic direction and support to the ESG Officer in the day-to-day management of the ESG program. The ESG Committee is comprised of members of the PPC team across various functions and levels of seniority to promote diversity of thought and collaborative discussion. The ESG Committee meets periodically to review this Policy and its efficacy and to drive communication and progress on ESG issues across the PPC and the PPC family of companies.

### **3. Policy Scope**

This Policy applies to all platform investment opportunities considered by the PPC Investment Committee (the "Investment Committee"). PPC will consider material ESG issues in connection with the pre-closing due diligence process and post-closing monitoring of operating companies in which PPC holds a controlling interest (each, a "PPC Company"). PPC's ESG Officer and other investment and operations professionals are responsible for ensuring that the consideration of ESG issues is incorporated into the investment due diligence and company oversight processes. Where additional subject matter expertise is required, PPC may utilize external resources as necessary.

### **4. Commitment to Responsible Investing**

PPC is a signatory to the United Nations Principles for Responsible Investment (PRI). Consistent with our commitments under the PRI, PPC will:

- Incorporate ESG issues into our investment analysis and decision-making processes.
- Be active owners and incorporate ESG issues into our ownership policies and practices.
- Seek appropriate disclosure on ESG issues by the entities in which we invest.
- Promote acceptance and implementation of these principles within the investment industry.
- Work together to enhance our effectiveness in implementing these principles.

- Report on our activities and progress towards implementing these principles.

## **5. Pre-Investment Procedures**

PPC will assess ESG-related risks and opportunities with respect to prospective operating company investments. PPC will pre-screen each platform investment opportunity to ensure that it is not either an ESG-prohibited investment or industry of heightened risk as defined by PPC's internal policies and procedures. Assuming the opportunity satisfies PPC's pre-screening procedures, the relevant deal team will then perform an initial assessment of the merits and risks associated with the target company. At this pre-bid stage of a prospective platform investment, PPC will conduct a preliminary review of the relevant ESG risks applicable to the industry in which the target company operates. In most cases, this assessment will be based on an analysis of ESG data relating to public companies that operate within the same industry as the target company. The output of this analysis will be incorporated into materials presented to the Investment Committee and will be considered as part of the overall investment review. To the extent the Investment Committee determines a prospective investment is approved for further review, the deal team will then engage in a detailed due diligence review of the target company, which will include a dedicated ESG workstream by a third-party expert. All opportunities presented to the Investment Committee for approval prior to the signing of definitive investment documentation will provide for a detailed ESG review, including an assessment of physical climate risk and transition risk (as applicable). This review will be tailored to the target company and will include both an assessment of the material ESG risks applicable to the industry in which the target company operates and the risks that are specific to the target company identified during the course of due diligence. The Investment Committee will consider any identified ESG risks when determining whether to approve or decline the relevant opportunity.

## **6. Ownership Period Procedures**

In situations where the Investment Committee or deal team identifies material ESG issues during the diligence process for a completed operating company platform investment, the PPC team will include the management of these issues as part of the PPC Company's onboarding process. To the extent the management of, or performance related to, a material issue is considered by PPC to need improvement, PPC will work with PPC Company management to support the development of a corrective action plan. As part of the post-closing 100-day plan (or similar), PPC's ESG Officer will meet with members of the PPC Company management team to discuss diligence findings and related opportunities to improve practices. Based on diligence findings, PPC Company practices and priorities, and recognized frameworks such as the Sustainability Accounting Standards Board (SASB) industry risk profiles, PPC's ESG Officer will work with the PPC Company to identify KPIs to report to its Board of Directors or similar governing body on a periodic basis. For additional detail regarding ESG guidelines for PPC Companies, please refer to [Appendix A](#) herein.

ESG-related risks and opportunities that are being monitored by PPC during the ownership period, including any related corrective actions or next steps, will be documented for internal PPC use as deemed appropriate by PPC.

All actions taken or proposed to be taken in relation to the identification and/or remediation of ESG-related risks and opportunities will in all cases be subject to PPC's determination of what is reasonable and appropriate under the circumstances, taking into consideration the fiduciary and other obligations owed by PPC to its clients.

## **7. Transparency and Engagement**

PPC will seek to be transparent in its approach to incorporating ESG considerations in its investment due diligence and oversight processes, including by responding to requests from, and actively engaging in discussions with, its investors and other stakeholders.

Where appropriate, throughout the investment due diligence and oversight processes, PPC will seek to actively engage relevant stakeholders to make informed decisions that may affect these stakeholders.

The ESG Committee will report at least annually on its progress and outcomes to its investor partners. This reporting may take the form of written reports, informal verbal updates, or confidential reports to PPC clients or their respective governing bodies. PPC will seek to publish a report related to the ESG progress and achievements by PPC and the PPC Companies from the prior year.

## **8. Policy Review**

The ESG Committee will review this Policy and the internal PPC processes and procedures pertaining to ESG issues on a periodic basis and at its discretion to assess the overall effectiveness of PPC's ESG efforts and related areas for improvement. Any updates to this Policy will be documented for internal PPC use.

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EXHIBIT A

**PPC COMPANY GUIDELINES**

PPC Company management should be committed in its business activities to positive leadership in environmental, social and governance (ESG) matters. In the spirit of this commitment, PPC endorses the following corporate policy objectives for each PPC Company and expects that Company management will comply with these objectives:

- Consider environmental, public health, safety and social issues associated with the conduct of the PPC Company's business.
- Select and monitor key performance indicators to manage industry or Company specific ESG risks, and periodically report progress to the Board.
- Establish an ESG committee or working group comprised of cross functional employees.
- Be accessible to, and engage with, relevant stakeholders either directly or through Company representatives, as appropriate.
- Grow and improve the Company for long-term sustainability, including with respect to environmental, social, and governance issues, with the goal of improving performance and minimizing adverse impacts in these areas.
- Provide appropriate levels of oversight in the areas of audit, risk management, and potential conflicts of interest, and work with PPC to implement compensation and other policies that align the interests of owners and management.
- Remain committed to compliance with applicable national, state, and local labor laws in the countries in which the Company operates; 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 or not to join a union and engage in collective bargaining.
- Respect the human rights, including by prohibiting the use of child or forced labor or maintenance or promotion of discriminatory policies.
- Provide timely information to the PPC Operating Partner on the matters addressed in these guidelines, and work to foster transparency about the Company's activities.
- Provide annual data disclosures in line with the ESG Data Convergence Initiative.

Companies are encouraged to develop cross-functional working groups (e.g. operations, human resources, commercial, etc.) to develop company-specific ESG programs, which help organize and prioritize growing ESG demands by multiple stakeholder groups.