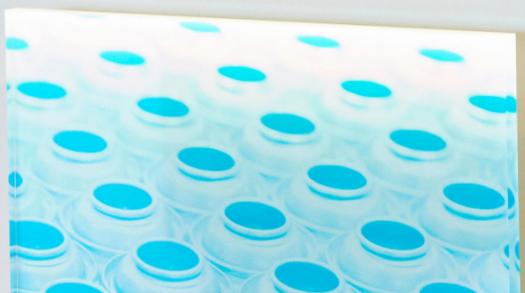
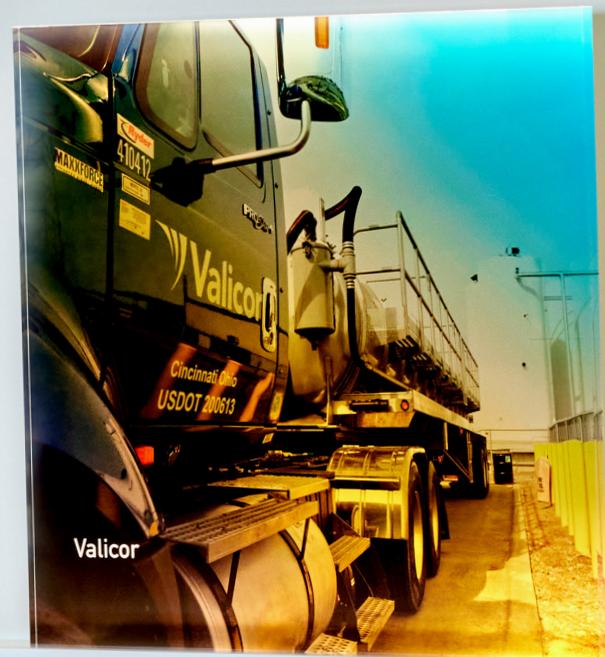
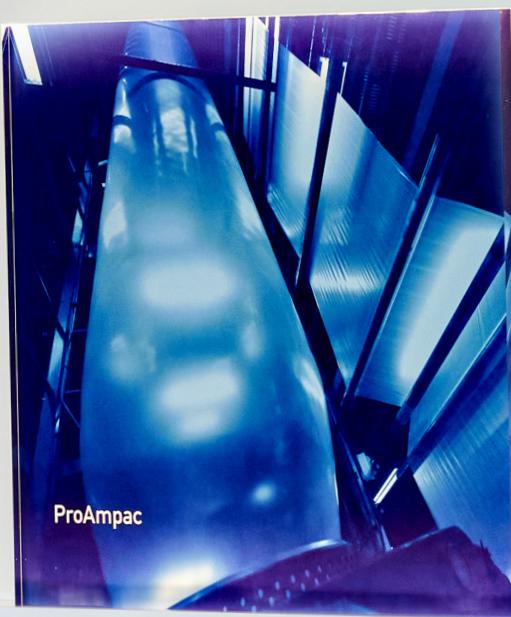




PRITZKER

PRIVATE CAPITAL

2022 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



OUR MISSION

WE PARTNER WITH COMPANY MANAGEMENT TEAMS
TO BUILD BETTER BUSINESSES AND
CREATE VALUE FOR OUR STAKEHOLDERS.



OUR CORE VALUES

WE BELIEVE THERE IS A “RIGHT WAY” OF DOING BUSINESS. WE STRIVE TO MAINTAIN FAIR, POSITIVE AND TRANSPARENT INTERACTIONS WITH OUR MANAGEMENT TEAMS AND BUSINESS PARTNERS CONSISTENT WITH OUR CORE VALUES OF HONESTY, INTEGRITY AND LOYALTY.

TABLE OF CONTENTS

Our Firm

- 2 From Our Leaders
- 3 20 Years of Building Businesses
- 4 2021-2022 Progress and Highlights

Our ESG Approach

- 5 Investing for the Long Term
- 6 ESG Program Governance

Responsible Investment

- 7 Our Approach to the Investment Cycle

Operations

- 8 Seizing Opportunities for Better Outcomes
- 9 How We Measure and Report Progress
- 10 Addressing Climate Change
- 12 Case Study: Valicor

People and Communities

- 13 Helping People and Communities Thrive
- 14 Diversity, Equity and Inclusion
- 15 Employee Development
- 16 Case Study: Monogram Foods

Engagement and Transparency

- 17 Interacting With Stakeholders
- 18 Building Stronger ESG Programs and Disclosure
- 19 Supporting Standardized ESG Metrics
- 20 Case Study: PLZ Corp
- 21 Disclaimer/Endnotes

ABOUT THIS REPORT

As our firm celebrates 20 years of partnering with companies and investors, we are proud to publish our second annual environmental, social and governance (ESG) report. We share this report to provide greater transparency to our stakeholders regarding our efforts to integrate responsible investment and operating practices into our business and those of our operating companies.

This report describes our guiding principles and primarily covers progress made since our 2021 ESG report. Unless otherwise noted, all data and figures are as of June 30, 2022.



From Our Leaders

GUIDED BY OUR HERITAGE

When Tony and his brother founded PPC over 20 years ago, the term “ESG” didn’t exist. There were no sustainability reporting frameworks in use, investor and customer surveys, or prominent ESG stakeholder expectations to influence our investment process and company partnerships. However, continuing the Pritzker family’s 85-year heritage of building businesses with a focus on people, communities and philanthropy, the brothers built PPC. Along with our time-tested principles of conducting ourselves with honesty, integrity and loyalty, our ESG efforts today stand on the shoulders of this Pritzker family legacy.

We are proud of the progress that we and our family of companies have made in our ESG programs over the last year, as described in the company spotlights, case studies and elsewhere in this report. We’re equally proud that three of our companies, C.H. Guenther & Son, PLZ Corp and ProAmpac, have completed their inaugural ESG reports and invite you to view them.

Much of what we do today recognizes that many of you are on your own ESG journeys. Whether you are an investor, lender, customer, employee or other party interested in PPC or our companies, we strive to be constructive and transparent partners. We hope you enjoy reading about our progress as PPC and our companies work to create long-lasting value while also recognizing that the journey is as important as the destination. In doing so, we are firmly rooted in the Pritzker family heritage but, at the same time, we are always looking forward and acting alongside our valued partners to address the opportunities and challenges ahead.

Anthony N. Pritzker
Chairman & CEO

Paul J. Carbone
President & Managing Partner



Anthony N. Pritzker



Paul J. Carbone



David A. Gau



Michael L. Nelson

BUILDING FOR BETTER OUTCOMES

As investment and operations professionals, we have always managed risk to our companies with a comprehensive framework across numerous factors that impact our businesses and our mission to invest in great companies to maximize value for our stakeholders. That is why we welcome the increased focus on ESG as it allows us to communicate in a transparent manner all that we do across our family of existing companies to be responsible stewards.

Our investment sourcing practices continue to value companies with the ability to leverage these changes, while our diligence process manages key ESG risks and educates our post-closing value creation efforts. Recognizing that our companies vary in size, industry and are on different parts of their ESG journeys, we keep it simple and work with our management teams to expand positive impacts, reduce negative impacts and be clear in our efforts. We were proud to see many of our companies take big steps in developing their formal ESG programs. Our companies’ focus on their employees, community welfare, the environment and governance excellence are consistent in spirit and intent with our long-standing philosophy of building great companies “the right way” and for the right reasons.

The risk environment today is unquestionably the most complex it has ever been. We recognize both challenges and opportunities that come with these shifts and believe that our ESG efforts put our companies in a better position to help achieve our mission.

Michael L. Nelson
Partner, Head of Investing

David A. Gau
Partner, Head of Operations

20 Years of Building Businesses

Pritzker Private Capital (PPC) is a family-owned business that invests capital on behalf of the family of Tony Pritzker and other long-term focused family and institutional investors.

The Pritzker family has helped build stronger businesses over multiple generations, guided by a commitment to responsible investment and operating practices. In 2022, we marked our

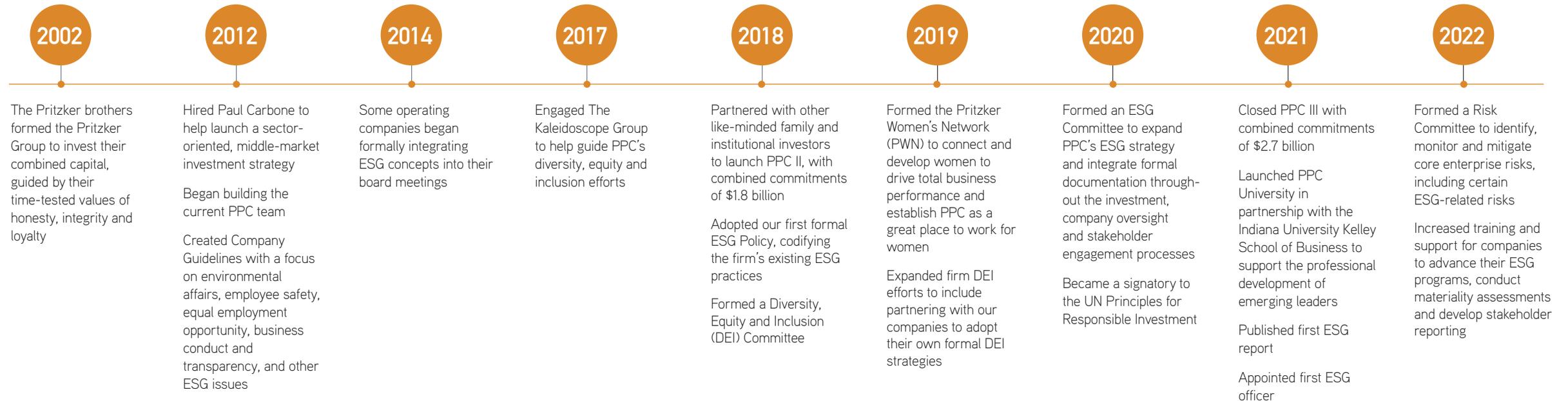
twentieth anniversary as a firm and ten years since launching our sector-oriented middle-market strategy. Today our investments focus on two sectors: manufactured products (food, packaging and specialty industrial) and services (supply chain distribution and commercial and industrial services).

We believe that investment success involves partnering with founders and

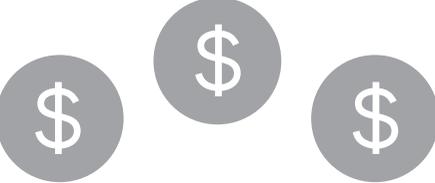
management teams to build even better, more sustainable enterprises that can drive financial returns and positive non-financial outcomes during and after our partnership. Integrating ESG principles into our operating companies' core businesses is integral to achieving this outcome.

| OUR FIRM | OUR OPERATING COMPANIES ² |
|---|--|
| <p>\$7.1 billion assets under management¹</p> <p>48 PPC employees</p> <p>94 platform and add-on acquisitions since 2015</p> | <p>28 K+ employees</p> <p>12 companies</p> <p>275 locations in 14 countries</p> |

PPC'S JOURNEY



2021-2022 Progress and Highlights

| RESPONSIBLE INVESTING | OPERATIONS | PEOPLE & COMMUNITIES | STAKEHOLDER ENGAGEMENT & TRANSPARENCY |
|---|---|--|---|
| <p>Launched a Risk Committee to identify, monitor and mitigate core enterprise risks to PPC and our family of companies</p>  | <p>Hired Heads of Automation and Digital Transformation to help companies build their capabilities, identify opportunities and manage risks related to these issues</p> | <p>Continued sponsorship of graduate-level employee development</p>  | <p>3 operating companies completed their first ESG reports</p>  |
| <p>Completed Three Investments executing our formal ESG diligence and integrating findings throughout the Investment Committee process</p>  | <p>Created a Digital Platform for sharing cybersecurity incidents and best practices in real time across all company technology leads to enhance data and information security</p> | <p>Pritzker Women's Network conducted events to celebrate Women's History Month, promote allyship, and develop leadership and communication skills</p> | <p>75 leaders from 12 companies attended our annual Executive Summit, which featured an ESG training and discussion with our company CEOs</p> |
| | <p>Mapped alignment of company actions with the UN Sustainable Development Goals for the second year</p> | <p>Introduced Mental Health Awareness Month programming to continue to foster a healthy, inclusive workplace</p> | <p>Published our first annual ESG report</p>  |

Investing for the Long Term

We strive to proactively manage ESG risks that are material to our operating companies and stakeholders.

Investing the “Right Way”

Our mission is to invest capital on behalf of our investor partners and maximize returns. Investing in companies with strategic, responsible operations and people management is key to this mission. We believe that properly managing ESG risks and opportunities has never been more aligned with achieving stronger financial outcomes.

While traditional private equity scoreboards often focus on short-term financial returns, PPC believes that long-term, sustainable enterprises with effective ESG programs can better endure economic headwinds and exit tough markets stronger than before.



Partnering With Our Companies

We act as partners, not operators.

Since PPC's founding, our strategy has been to invest alongside management teams to help grow their businesses. We support a management team's ability to strengthen its businesses by drawing on our expertise and resources in the capital markets, technology, digitization,

automation, and other fields. We support their ESG strategies in a similar manner.

We recognize that we invest in industries that provide great opportunities for ESG improvement. We also recognize that our company partnerships have the scale in operations to produce positive outcomes for their employees and communities.

The true north of PPC's ESG and DEI

programs is to optimize these impacts and outcomes.

Communicating With Stakeholders

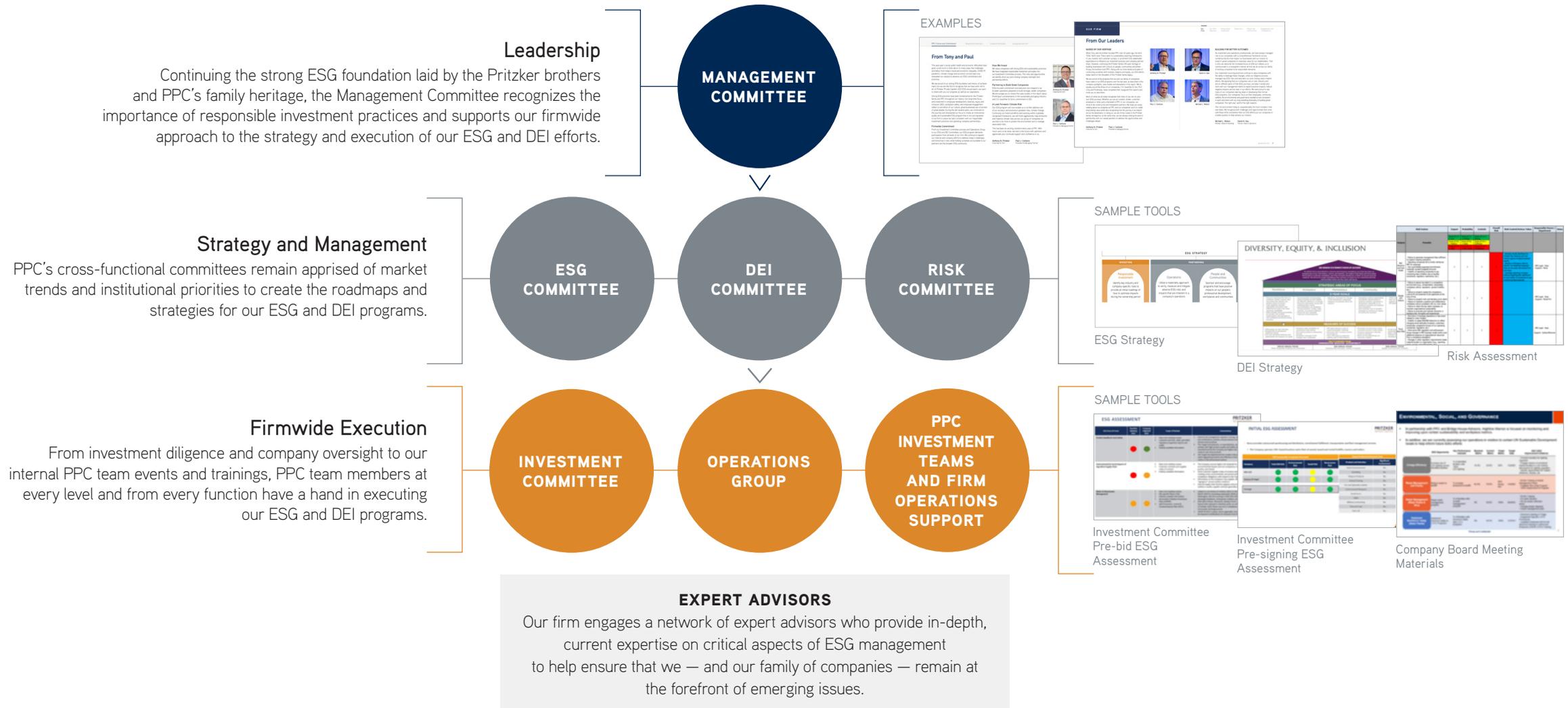
Transparency with stakeholders is an essential element of PPC's ESG journey and that of our companies.

Employees, customers, lenders, investors

and other stakeholders are focused on the responsible business practices of their employers, supply chains and investment stewards. Therefore, it is vital to communicate effectively and partner well with these groups as they progress on their own ESG journeys. This is why we encourage our businesses to engage with stakeholders, complete materiality assessments and disclose their progress.

ESG Program Governance

A growing cross-functional team of PPC professionals collaborates to scale and integrate consideration of ESG issues into our investment and management approach.



Our Approach to the Investment Cycle

Our investment approach values companies that can adapt to and leverage opportunities created by the shift to sustainable supply chains and end markets.

Our approach to responsible investment extends throughout the entire investment cycle, beginning with early-stage investment sourcing and diligence and continuing throughout our long-term company partnerships.

INVESTMENT COMMITTEE DILIGENCE PROCESS



PPC screens prospective investment opportunities based on defined criteria and seeks to avoid companies in certain industries. We also attribute value to businesses with:

- Sustainable production and consumption
- Safe and secure work environments
- Diverse, inclusive workplace culture
- Strong governance and compliance functions
- Contributions to public health, safety and well-being
- Potential to adapt to the rising demand for more sustainable supply chains

Prior to submitting a preliminary indication of value to prospective sellers, PPC's Investment Committee reviews an Industry ESG Risk Assessment Scorecard on each prospective investment.

These scorecards are created by the applicable deal team using Sustainalytics' ratings of comparable public companies and other company-specific factors.

Before authorizing the execution of a binding purchase agreement, the Investment Committee also reviews a Company ESG Risk Assessment Scorecard. These proprietary scorecards are completed using third-party diligence assessments and are informed by:

- Sustainability Accounting Standards Board (SASB) Materiality Map
- Identified company-specific risks
- PPC areas of focus, including environmental, cybersecurity and DEI practices

OPERATIONS GROUP INVOLVEMENT

Integrate Diligence into Value Creation Plan

Scale Company Programs

Informed by our pre-closing diligence, we work with our companies to identify opportunities to drive positive outcomes and reduce negative impacts. Our playbook includes:

- ESG onboarding process
- Training in ESG best practices such as forming ESG working groups and stakeholder transparency
- Support for conducting materiality analyses

Seizing Opportunities for Better Outcomes

We work with our family of companies to optimize their positive outcomes and leverage ESG opportunities.

We invest in sectors of the economy that provide vital services and products. Often, operations in these sectors inherently involve ESG risks that provide opportunities for improvements and favorable outcomes such as a more sustainable supply chain, engaged employees, safe, respectful workplaces and support for local communities.

Optimizing Positive Impacts

Many of our businesses' core functions and products contribute to a healthier, more sustainable society, economy and environment. We also work with our companies to identify and expand their alignment with the UN Sustainable Development Goals (SDGs). Below we share a few such examples.

COMPANY SPOTLIGHTS

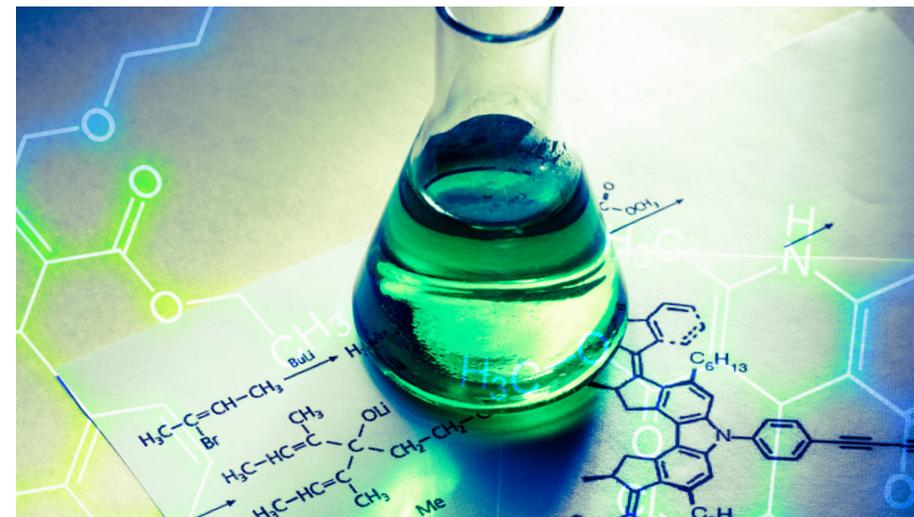
SOCIETAL SOLUTIONS

NAI GROUP – Develops complex, customized technology connectivity solutions that are integral to hospital operations and patient care.

PROAMPAC – Creates a more circular supply chain by heavily investing in and leaning into sustainable packaging product offerings. [Learn more in ProAmpac's ESG report.](#)

VERTELLUS – Produces specialty chemistries that enhance human health and wellness and improve agricultural productivity, for example, by increasing crop yields.

VALICOR – Treats water and petroleum products from industrial waste streams and promotes environmentally sustainable solutions. [See the related case study.](#)



Vertellus uses Six Sigma and lean manufacturing methodologies to apply consistent quality control procedures in the manufacture of specialty chemistry products.

Addressing Inherent Risks

Inherent to many manufactured products and business services companies are certain environmental and human resource/employee-related risks that we seek to mitigate. These ESG risks can include waste, food safety, GHG emissions, hazardous materials handling, water usage, employee safety and cybersecurity. We collaborate with our companies to identify and leverage these opportunities through a lens of what's important and best for a business and its people.

Below we share examples of how some of our companies address and act to manage their operational impacts and risks. [Learn more about our companies' efforts to drive better outcomes by using key performance indicators \(KPIs\).](#)

COMPANY SPOTLIGHTS

IMPROVING OUTCOMES

BARDSTOWN BOURBON COMPANY – Conducts monthly tracking of energy and water usage to reduce production impacts, then partners with local farmers to divert 100% of the spent grains from landfills by reusing them in local agriculture.

C.H. GUENTHER & SON – Certifies all its food manufacturing plants to the Global Food Safety Initiative (GFSI); Adheres to the UN Global Compact and expects its suppliers to do so also.

PLASKOLITE – Focuses heavily on efficient sheet-cutting practices to improve scrap reuse and recycling rates, and reduce waste. Plaskolite has begun exploring processes to recapture previously sold products to reduce waste further and create a more circular product lifecycle.

PLZ CORP – Launched Product Vision software to improve regulatory compliance and product safety. PLZ periodically evaluates alternative formulations to minimize products containing potentially harmful inputs.

How We Measure and Report Performance

Developing ESG performance metrics helps our companies set measurable goals and be accountable for their progress.

In partnership with our company management teams, we identify areas in which their operations present the potential to produce positive outcomes. We work together to set goals and report progress to the companies' boards on a consistent basis.

The table at right lists the ESG focus areas contained in each company's quarterly board reports and provides examples of KPIs used to track performance. Many of our companies have completed or are in the process of completing materiality assessments to help them further refine KPI reporting and goal setting.

| KPI REPORTING ISSUES ¹ | |
|--|--------------------------------------|
| COMPANY | ESG FOCUS AREAS |
| Bardstown Bourbon Company Distiller, producer and bottler of bourbon and whiskey | Energy Efficiency |
| | Waste Management |
| | Water Management |
| C.H. Guenther & Son Branded and private label food products | Energy Management |
| | Food Quality and Safety |
| | Sustainability |
| | Data Security |
| Energy Distribution Partners Propane and light fuel distributor | Emissions |
| | |
| Highline Warren Automotive aftermarket product distributor | Energy Efficiency |
| | Waste Management |
| Monogram Foods Meat snacks, appetizers and sandwich manufacturer | Community Engagement |
| | Energy Management |
| NAI Group Connectivity solutions that power critical telecommunications, industrial and medical applications | Community Engagement |
| | Employee Turnover |
| Plaskolite Transparent thermoplastic sheet products | Energy Management |
| | Waste Management |
| ProAmpac Custom flexible packaging solutions | Employee Welfare |
| | Hazardous Materials Management |
| | Sustainable Production |
| PLZ Corp Specialty aerosol and liquid product manufacturing | Energy Management |
| | Product Stewardship |
| | Responsible Products |
| Valicor Environmental Services Nonhazardous wastewater treatment services | Employee Engagement |
| | Employee Retention |
| Vertellus Unique specialty chemistry solutions | Hazardous Materials Management |
| | Water Management |
| All PPC companies | Employee Safety and DEI ⁴ |

% of facilities on track to achieve reduction goals²
2021 - Baseline
2022 - 50%
2025 YE Goal - 100%

% of facilities with 100% LED lighting
2021 - 18.5%
2022 - 29.2%
2022 YE Goal - 35%

% of products with sustainable offering
2021 - 49%
2022 - 90%
2022 YE Goal - 100%

Process Safety³
2020 YE - 1.34
2021 YE - 1.1
2022 - 0.68
2022 YE Goal - ≤ 0.6



ProAmpac offers a growing suite of sustainable products as part of its commitment to increasing environmentally responsible flexible packaging solutions.

Addressing Climate Change

We train our companies on best practices for mapping GHG emissions and encourage them to consider climate change risks and opportunities through a materiality-driven approach.

PPC shares broad concerns regarding the potential impacts and risks that climate change poses to our companies, stakeholders and communities. We also recognize that greenhouse gas emissions are becoming a greater focus of company customers, PPC's investor partners, lenders and other stakeholders. As various parties make their own

greenhouse gas emissions pledges, their portfolio or supply chain ambitions often include collecting this data from our companies.

Taking Action

We are expanding our ESG program to include the expectation that each

company will annually assess and report its Scope 1 and Scope 2 GHG emissions, beginning with 2022 calendar year results. Recognizing the benefits of specialized expertise in this important issue, we engaged an outside expert to

train our management teams on where their companies' material emissions stem from, with an eye on future efficiencies and reductions.

Responsible Investing

Identify and evaluate potential climate-related risks and opportunities at prospective investments

- Assess physical climate risk during the due diligence process for new platform transactions, where relevant.
- Begin exploring the integration of formal transition risk assessments into the due diligence process for new platform transactions.

Operations

Partner with our companies to advance their understanding, identification and management of relevant climate risks and opportunities

- Engaged a third-party consulting firm that conducted trainings at many of our companies with potentially more material carbon footprints on the data required to properly map Scope 1 and Scope 2 emissions.
- Complete GHG analysis for the calendar year 2022 at all companies.

Engagement and Transparency

Listen and respond to the concerns and expectations of investors, customers and other key stakeholders

- Assessed the level of focus on GHG emissions among key investors and our companies' top customers.
- Support customers and investor partners who are calculating their own supply chain emissions and have made GHG reduction pledges.
- Establish a network of outside advisors to assist with selected climate change initiatives at companies, as relevant.



CLIMATE CHANGE CONTINUED

Not One-Size-Fits-All

We recognize that each of our operating companies is different. They serve different industries, end markets, stakeholder priorities, geographies and employee bases. Therefore, we do not make group-wide pledges that each company must meet. We are not operators; rather,

we encourage each company to develop and execute its own ESG program.

Materiality Approach

We expect many of our companies to complete materiality assessments to determine whether GHG emissions reduction is a key priority for their business and stakeholders. Of the three

companies that have completed full materiality assessments, climate change priorities were toward the top of each list, and each company has created its own independent plan to address this priority. We expect this trend to continue, especially among our larger manufacturing companies.

CLIMATE CHANGE

COMPANY SPOTLIGHTS

Many of our companies have already undertaken various initiatives to reduce their climate impact. Below are a few highlights of company commitments and other activities that are helping to positively address climate change.

- **BARDSTOWN BOURBON COMPANY** – Reduced natural gas use by approximately 50% between 2018 and 2022 by converting to high efficiency boilers and expanding heat exchanger capacity.
- **C.H. GUENTHER & SON** – Planning to offset 370 tons of CO₂ through the purchase of carbon credits in the form of protected forests in 2022, through a partnership with carbon offset manager NCX.

- **PLZ CORP** – Mapped Scope 1 and Scope 2 GHG emissions across all its sites and pledged to reduce emissions from energy consumption by 15% per unit of production by 2025 from a 2021 baseline. Learn more in PLZ's [ESG report](#).
- **VALICOR** – Is working to increase fleet efficiency and reduce carbon emissions. See the related [case study](#).
- **VERTELLUS** – Transformed an idle property in 2014 into a 43-acre solar farm. Over a 30-year period, the solar farm is expected to curb CO₂ emissions by more than 13,000 MT annually — the equivalent amount of carbon required to meet energy demand in more than 1,800 homes.

In its quest to cut energy use, lower costs and reduce emissions, Bardstown monitors and integrates the most current energy-saving tools and resources for distilleries, such as the Energy Performance Indicator benchmarking tool in development by the EPA ENERGY STAR® and the Distilled Spirits Council of the United States.

Case Study

Valicor Supports Circular, Sustainable Manufacturing

As a provider of sustainable waste management solutions, Valicor Environmental Services (Valicor) contributes to cleaner, more circular manufacturing processes. Even so, the company continues to look for safer, more efficient ways to scale its operations and processes. Valicor recently made significant investments to increase fleet efficiency and expand its laboratory facilities.

Maximizing Fleet Efficiency

Valicor operates a fleet of more than 180 commercial vehicles that drive over 7.8 million miles annually as they collect waste from customers for treatment and recycling. Recognizing that driving generates GHG emissions, raises potential safety issues and is costly, Valicor is implementing multiple initiatives

to increase fleet efficiency and improve a key performance metric by reducing miles driven per gallon of wastewater treated. Two of these initiatives include the hiring of a national director of transportation and installing technology in trucks to capture more safety and efficiency data for further optimization. Analyzing this information can offer insights that can lead to initiatives that reduce safety risks and GHG emissions while improving customer service and financial performance.

Boosting Water and Waste Yield

After wastewater is collected, the method of treatment can determine the yield of recyclable and resalable materials. Environmental and financial goals align in maximizing the amount

of recyclable waste and water and minimizing the unusable waste sent to a landfill. To further this process improvement goal, Valicor is investing in a technical development facility in Houston, Texas. The laboratory will play

a critical role in assessing and validating waste stream treatability, performing safety and deviation response measures, as well as conducting pilot studies for new applications and service line expansion.



2022 HIGHLIGHTS

300
million gallons of
wastewater recycled

30
million gallons
of oil recovered

75
million pounds
of other processed
recyclables



About Valicor

Valicor Environmental Services (Valicor) is a trusted partner for sustainable waste management solutions. As one of the largest providers of nonhazardous, centralized wastewater treatment services in North America, the company transports and processes diverse wastewater streams that result from the manufacture of industrial and consumer goods. In 1998, Valicor became the first nonhazardous wastewater company in the United States to receive ISO 14001 certification for its environmental compliance program.

For over 40 years, Valicor has developed expertise in safely and responsibly treating and disposing of various waste streams. It also provides cost-effective, sustainable solutions for recycling and reuse to improve environmental outcomes and reduce landfill disposal. Headquartered in Monroe, Ohio, Valicor operates 25 facilities across 14 states.

Helping People and Communities Thrive

PPC and our family of companies recognize the value of developing our people and supporting local communities.

Together, PPC and our family of companies encompass more than 28,000 employees and operate in over 275 locations in 14 countries. With this scale of operation come both opportunity and responsibility. To this end, we invest in diversity, equity and inclusion (DEI), employee development and employee engagement, and encourage community involvement across the PPC team and our companies.

Employee Engagement

We believe that giving employees a voice and the ability to drive impact can create a stronger culture and increase business value. We also believe the best way to learn what’s on the minds of our employees is to ask.

We conduct employee engagement surveys to get a pulse on people’s work experience. Firm leadership asks, our employees answer, and then we come together to discuss results and plan actions. For example, past survey findings helped us identify a decline in employee self-expression. We responded to this finding through manager support and forums for self-expression during the pandemic and times of civil unrest. Following these steps, PPC’s score on this survey indicator increased by nearly 20% in 2021.

We continue to refine our program in light of best practices and encourage company human resource professionals to integrate similar actions across their respective employee bases.

Each year dozens of NAI Group employees around the globe volunteer for community service events to help make their communities a better place for all.

COMMUNITY INVOLVEMENT

COMPANY SPOTLIGHTS

Our local communities include some of our most important stakeholders, including customers, employees, families and friends. The PPC team and our family of companies have a history of being active in our local communities and encouraging growth in activities to be good neighbors and corporate citizens.

- **MONOGRAM** – Engaged employees fundraise and administer a vibrant

charitable foundation. See the related [case study](#).

- **NAI GROUP** – Employees at various locations regularly perform community service actions such as planting trees, visiting cancer patients, cleaning parks and supporting the sale of goods made by disabled students at a special education school.
- **PROAMPAC** – Through the ProAmpac Employee Assistance Fund established

in 2017, approximately 1,000 ProAmpac employees have contributed more than \$2 million to assist fellow employees experiencing personal hardships.

- **VALICOR** – The company provides one-time financial assistance to employees facing unplanned or severe financial difficulties through Valicor Cares, now in its third year.



Diversity, Equity and Inclusion

To compete for talent and customers, PPC and our companies strive to create more diverse, equitable and inclusive workplaces.

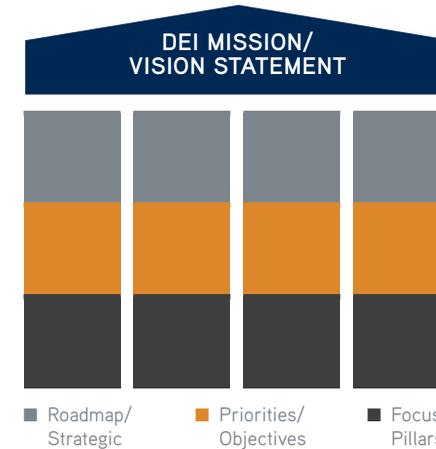
The PPC family of companies share common values in creating workplaces where people from different

backgrounds are welcomed, respected and given the opportunity to flourish. We believe that diversity can drive innovation and contribute to better business results. Thus, our firm and our companies strive to create work environments that embrace diversity, are free from discrimination and harassment, and are grounded in respect.

A key area in which we support our companies is on their respective DEI journeys. Similar to our broader ESG

approach, we recognize that one size does not fit all for each of our companies. We work with management teams to help them develop their own DEI strategy, or “house,” which lays out their program’s mission and roadmap, including priorities and measurable goals. Progress is reported periodically to each company’s board of directors.

One way we strive to achieve gender equality within our firm is by actively promoting awareness and dialogue to



support our people. In the past year, the Pritzker Women’s Network continued to connect and develop women to strengthen total business performance and establish PPC as a great place to work for women. This employee-driven group conducted events to celebrate Women’s History Month and cosponsored an event with the Antares Women’s Network on developing leadership communication skills. Representatives from all PPC companies were invited to attend both events.

Advocating for Women in the Workplace

Pritzker Women’s Network conducted “HERSTORY,” a virtual panel discussion with PPC company Vertellus CEO John Van Hulle and President Faye Freeman.

These two leaders discussed their experience proactively advocating for women in the workplace. Approximately 200 employees from across the PPC family of companies participated in the event.



Employee Development

With an eye on tomorrow, we continue to invest in our companies' emerging leaders.

PPC is committed to providing employees of our family of companies with opportunities to advance their skills and careers. We work to achieve long-term, sustainable growth by offering a variety of ongoing programs for our people, including formal employee development opportunities.

We partner with two recognized academic institutions — the Kelley School of Business Executive Education at Indiana University and the University of Kentucky College of Engineering — to offer professional development programs for qualified employees of PPC and our companies.

PARTNERING WITH LEADING ACADEMIC INSTITUTIONS

PPC UNIVERSITY





Launched in 2021, PPC University is a series of customized, graduate-level business education courses developed and presented in partnership with the **Kelley School of Business Executive Education at Indiana University**. PPC University courses support the professional development of emerging leaders across our family of companies.

The program is guided by PPC's long-standing commitment to partner with our companies, invest in their people and culture, and build successful businesses for the long term.

2021-2022: PPCU AT A GLANCE

500

employee participants
since program launch, with 300 enrolled in 2022

32%

of participants
are women and 29% identify as racially or ethnically diverse

2021-2022: PPCU GRADUATE-LEVEL COURSES



PPC University graduate-level courses support the professional development of emerging leaders across our family of companies. The following courses were offered during 2021-2022:

- Leadership and Culture
- Financial Strategy and Decision Making
- Operational Excellence
- People Management
- Foundations of Mergers & Acquisitions and Integration
- Value Creation through Business Analytics
- Marketing 2.0
- Project Management Bootcamp

TRUE LEAN MANUFACTURING



In 2022, we expanded our employee development opportunities through a partnership with the **University of Kentucky College of Engineering**. We now offer training in the highly regarded Toyota Lean manufacturing framework, which advocates eliminating waste within a manufacturing operation.

Twenty operators from eight of our companies enrolled in this course, which is the only official Toyota-sponsored True Lean program.¹

Case Study

Monogram Foods Loves Kids Foundation



At Monogram Foods, being a responsible citizen does not mean simply employing residents; it means engaging in meaningful, impactful initiatives for employees' families, friends and neighbors.

It especially means helping children and families in need through the company's Monogram Foods Loves Kids Foundation. For 12 years, the foundation has provided direct funding for initiatives in every community in which Monogram operates. To date, the company has raised more than \$15 million for

children's charities across its footprint.

Caring for Communities

The foundation is administered by the Community Foundation of Greater Memphis and is funded by donations from Monogram Foods' owners, team members, including team member payroll deductions, and its annual Meat Me in Memphis Gala.

The mission of Monogram Foods Loves Kids is to support charitable organizations across Monogram's footprint that make the communities a better

place to live and work by helping children and their families. The fund also allows Monogram's team members to make an



impact in their communities through the workplace. Each year, a grant selection committee in each location chooses the grant recipients. Executives are not involved in the selection process — it is all left in the capable and caring hands of team members in the plants.

In 2021, the financial return resulting from the investment in Monogram Foods by PPC led many owners and team members to donate a portion of their holdings or proceeds to the fund. In 2022, thanks to the growth in foundation funds, nine locations received an additional \$10,000 in grant money, bringing the total donation available to each location to \$60,000. Some of the grant recipients include a program in Bristol, Indiana, that provides basic needs to babies born in impoverished

FOUNDATION HIGHLIGHTS

\$15+ million raised for children's charities since inception

\$60k granted to each of **9 locations** in 2022 for community projects

communities, a program in Stevens Point, Wisconsin, that provides culturally relevant and nutritious meals to children in Wisconsin's Hmong community, and a program in Memphis, Tennessee, that provides transitional housing to homeless families.

About Monogram Foods

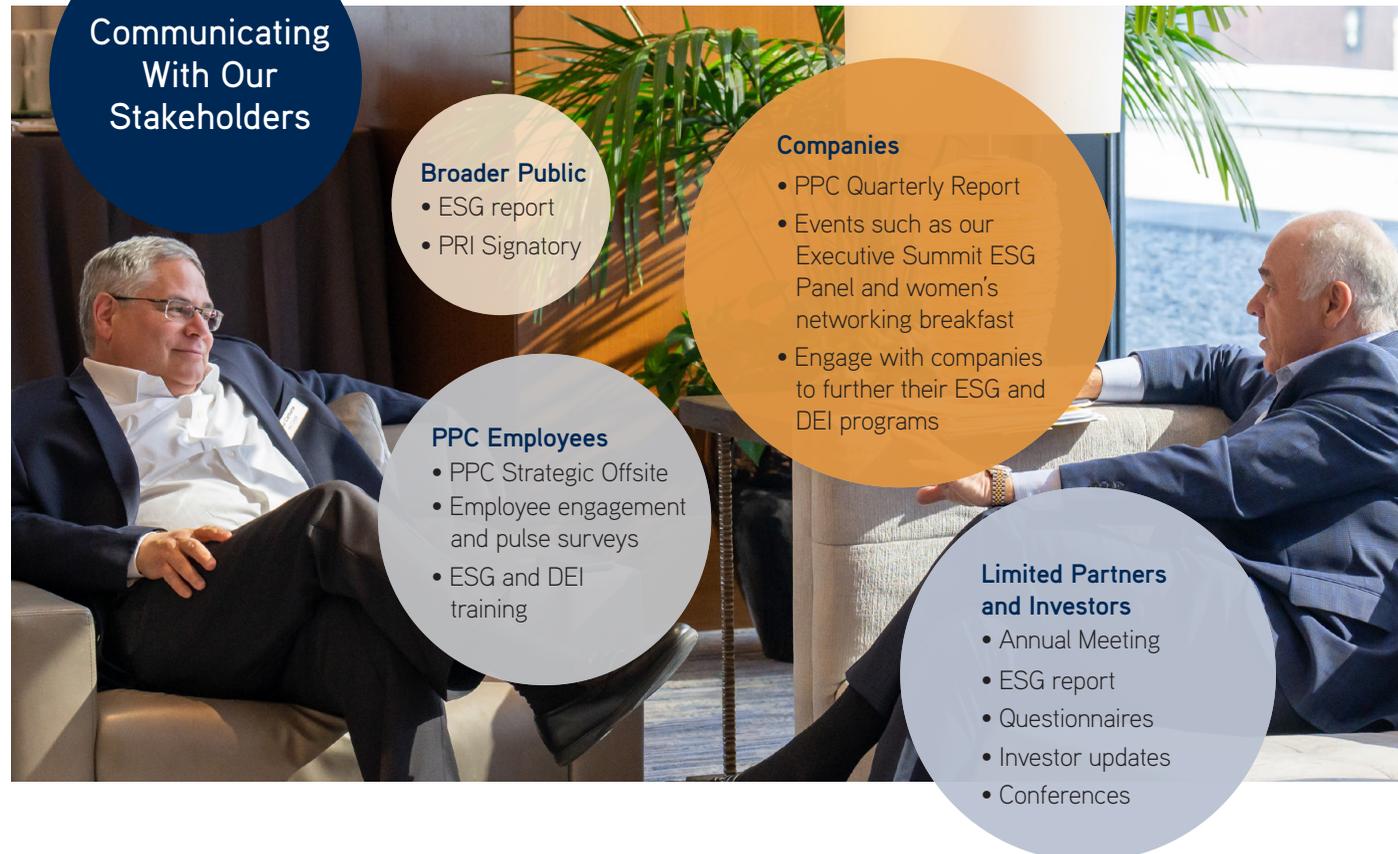
Monogram Foods is a strategic food manufacturer focused on the co-manufacturing, private label, and foodservice channels throughout the United States. Founded in 2004, Monogram Foods manufactures top quality and innovative food products ranging from meat snacks and appetizers to corn dogs and other convenience products. Headquartered in Memphis, Tennessee, Monogram has more than 4,000 team members and operates 13 manufacturing facilities in seven states.

Interacting With Stakeholders

Being a good partner requires understanding and supporting our stakeholders' ESG concerns and priorities.

We acknowledge that companies have a broad range of stakeholders. They also include our companies' customers, PPC and operating company teams, investors partners' family members and pension holders, and members of our communities. As investors, regulators, customers and other stakeholders sharpen their focus on responsible

investment practices and non-financial risks, we have a heightened responsibility to not only manage these risks and impacts, but to also communicate our efforts. The graphic below shows how we interact with key stakeholder groups to align priorities and explain how we believe we are doing business "the right way."



STAKEHOLDER ENGAGEMENT

COMPANY SPOTLIGHTS

In addition to board reporting on their ESG performance, many of our companies utilize relevant industry certifications, ESG ratings and other global frameworks. Below are a few examples of the many ways our companies use these interactions to inform their actions and enable stakeholders to assess their performance.

- **C.H. GUENTHER & SON** – Has certified all food manufacturing plants to the Global Food Safety Initiative (GFSI); Adheres to the UN Global Compact and expects suppliers to do so also.
- **PLZ CORP** – Announced its ambitious new ESG initiative in its inaugural ESG report. See the [case study](#).
- **PROAMPAC** and **C.H. GUENTHER & SON** – Have completed their first sustainability reports.
- **VALICOR** – Achieved an evidence-based Bronze rating from EcoVadis, a leading global ESG rating firm, to help it better manage and communicate its sustainability performance to its customers and trading partners.
- **VERTELLUS** – Participates in the American Chemistry Council's Responsible Care initiative, the specialty chemistry manufacturing industry's environmental, health, safety and security performance initiative.

Building Stronger ESG Programs and Disclosure

We encourage our companies to incorporate stakeholder concerns as they develop their formal ESG programs.

From new company onboarding and cross-company ESG trainings, to board reporting on ESG KPIs and

encouraging in-depth third-party materiality assessments, we collaborate with our companies to instill a culture of transparency and accountability.

Growing Engagement and Focus

ESG continues to grow as a focal point for PPC and company stakeholders, as demonstrated by the statistics shown at right. These findings clearly confirm that company customers and PPC investor partners have a keen interest in knowing

that our businesses are managing key ESG risks properly. This is a primary driver of why our ESG Committee, PPC operations team and outside advisors help our companies manage the changing landscape of stakeholder requirements and disclosure.

A Guiding Partner

We acknowledge that ESG programs are not one-size-fits-all. Factors such as company size, industry, customer composition, management priorities and

other matters impact how a company will address its key risk areas and validate these efforts to its stakeholders. We advocate for ESG engagement and governance best practices with each of our companies and are pleased with their progress during the past year, as shown below.

2022 HIGHLIGHTS

~60%
of our companies' top customers have made public sustainability pledges

~50%
of PPC III investor partners (by fund commitment) conducted in-depth ESG diligence on PPC's ESG procedures and practices

OUR STEPS OF ENGAGEMENT



Supporting Standardized ESG Metrics

We welcome new initiatives aimed at providing aligned performance reporting to our investor partners.

As our companies' customers and lenders seek more useful ESG performance data, so do PPC's investor partners. We appreciate that investors need comparable, consistent data as they execute their own ESG strategies and programs.

Indeed, investor ESG performance largely rests on the performance of

their underlying investments. Thus, we are encouraging our companies to align their data collection with the ESG Data Convergence Initiative (EDCI). As we obtain this data from our companies, we will provide it upon request to our investors.

Launched in 2022, the ESG Data

Convergence Initiative is a welcome development in the quest for consistent data that investors can use as they address their own ESG objectives. Created in collaboration by a group of global, industry-leading general and limited partners, the EDCI is intended to provide more meaningful, standardized ESG performance data. Initially, the EDCI encompasses just 15 metrics across six categories (shown at left), all drawn from existing, market-leading frameworks. The intent is to quickly achieve a critical mass of private companies reporting those same data. Designed to be nimble and agile, the EDCI intends to annually review the set of ESG metrics and evolve over time. Thus, our reporting may also adapt.

What is the ESG Data Convergence Initiative?

Formed by a group of global general partners and limited partners in early 2022, the ESG Data Convergence Initiative (EDCI) represents the private equity industry's first collaboration to standardize ESG metrics.

As of July 2022, EDCI marked a milestone of 200 initiative participants, including 134 general partners and 66 limited partners representing \$22 trillion of AUM.¹

ESG DATA CONVERGENCE INITIATIVE

| CATEGORIES AND METRICS | | | | | |
|---|---|--|---|--|--|
|  |  |  |  |  |  |
| GHG Emissions | Renewable Energy | Diversity of Board Members | Work-related Injuries | Net New Hires | Employee Engagement |
| <ul style="list-style-type: none"> • Scope 1 and 2 • Scope 3 (optional) | <ul style="list-style-type: none"> • % renewable energy use | <ul style="list-style-type: none"> • % women • % under-represented groups (optional) • % LGBTQ (optional) | <ul style="list-style-type: none"> • Injuries • Fatalities • Days lost due to injury | <ul style="list-style-type: none"> • New hires (organic and total) • Attrition | <ul style="list-style-type: none"> • Employee survey (Y/N) • Employee survey response (optional) |

Case Study

PLZ Corp Shares its Sustainability Story

A leading manufacturer of specialty aerosols, liquids and other products, PLZ Corp (PLZ) exemplifies PPC’s model for ESG program development and stakeholder engagement.

Announcing ESG Ambitions

PPC conducted trainings and encouraged best practices; from there, PLZ took the reins and developed an independent ESG program meaningful to its business and people. In 2022, PLZ announced its ambitious ESG program with the publication of its inaugural [ESG report](#).

Publishing this report represents both the culmination of efforts to launch a formal ESG program and the early stages of a journey to more proactively and transparently mitigate risks and

leverage opportunities in key areas. In early 2021, PPC had worked with PLZ to establish KPIs and goals to report to PLZ’s board. PPC subsequently conducted trainings on UN SDG reporting, carbon emissions mapping and the value of materiality assessments, a cross-functional working group and stakeholder transparency.

PLZ soon independently formed its first cross-functional ESG Steering Committee composed of 13 members who are charged with establishing the company’s ESG goals and driving initiatives within their respective departments.

Assessing Materiality

To establish ESG priorities for the company, the committee conducted



PLZ’s first materiality assessment to consider the key concerns of PLZ’s valued employees, customers, investors and other external stakeholders. Informed by these findings, the committee identified key priorities and goals and developed a five-year roadmap to advance and track its ESG efforts.

PLZ’s ESG report includes goals aligned with seven UN SDGs as well as a tear sheet with dozens of ESG KPIs. This transparency is intended to enable stakeholders to monitor PLZ’s progress as it executes its five-year ESG roadmap.

2022 HIGHLIGHTS

Focus areas across

4

ESG pillars

Pledged

15%

reduction in GHG emissions from energy consumption by 2025

13

ESG Steering Committee members



About PLZ Corp

PLZ Corp (PLZ) is a leader in specialty aerosol and liquid product manufacturing in North America. PLZ specializes in the development, manufacturing, packaging and distribution of a comprehensive line of contract fill, branded and private-label products. The company formulates, blends, fills and packages

more than 2,500 branded and private label products across industries. Headquartered in Downers Grove, Illinois, PLZ comprises 2,000 employees, 11 research and development centers, and 17 manufacturing facilities across the United States and Canada.

DISCLAIMER

This ESG Annual Report (the “Report”) is provided by PPC Investment Partners LP DBA Pritzker Private Capital (“PPC”) for informational purposes only and is solely intended to provide an overview of PPC’s ESG program and certain ESG-related activities of its operating companies. This Report should not be relied upon for any other purpose and is not intended to describe investment or company performance.

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 PPC (the “Funds”). References to operating companies are intended to discuss PPC and its operating companies’ ESG priorities only and should not be viewed as a recommendation of any particular security, product or service.

While PPC integrates certain ESG factors into its investment process in accordance with its ESG policy, there is no guarantee that PPC’s ESG policy will be successful or that it will create a positive ESG impact. Any past performance information provided herein is not indicative nor a guarantee of future performance or returns. In addition, applying ESG factors to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by PPC, or any judgment exercised by PPC, reflects the beliefs or values of any particular

person or company. There are significant differences in interpretations of what positive ESG characteristics mean by region, industry and issue, and these interpretations are rapidly evolving. It should not be assumed that investments in the securities or companies identified and discussed herein were or will be profitable.

The information contained in this Report may not necessarily be complete and may change at any time without notice. PPC 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, products or services. 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,” “believe,” or the negatives thereof or other variations thereon or comparable terminology. PPC 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 PPC or any other third party. PPC does not accept any responsibility for the content of such information and does not guarantee the accuracy, adequacy, or completeness of such information.

PPC 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 PPC 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. In some cases, implementation may be delayed or not achieved due to various factors.

ENDNOTES

PAGE 3

Endnote 1 - This figure represents assets under management by PPC as of December 31, 2021, as disclosed in PPC’s 2021 Form ADV filed with the Securities and Exchange Commission on March 28, 2022 (“ADV”), including (i) \$4.0 billion of Regulatory Assets Under Management, (ii) \$1.5 billion of committed co-investments not included in Regulatory Assets Under Management, and (iii) \$1.6 billion of non-discretionary sub-advisory assets related to legacy Pritzker investment vehicles, trusts and estate planning vehicles for the benefit of certain Pritzker investors through the operation of the various underlying portfolio companies. For additional information, please refer to the ADV.

Endnote 2 - For purposes of this report, included are companies in which PPC exercises effective control (e.g., ability to appoint a majority of the board). Please note that after June 30, 2022, and before the publication of this report, PPC sold its interests in KabaFusion.

PAGE 9

Endnote 1 - KPI data is as of June 30, 2021 and June 30, 2022, except Vertellus data, which is a rolling rate for the six-month period ending June 30, 2022.

Endnote 2 - In 2021, C.H. Guenther & Son (CHG) set a goal of achieving a 20% reduction in gas intensity (cf, gj, m3) per

pounds produced, based on a YE 2020 baseline. CHG tracks this on a facility-by-facility basis with the goal of having 100% of its facilities meet this goal by YE 2025. As of June 30, 2022, approximately 50% of the facilities were on pace to achieve this YE 2025 goal.

Endnote 3 - Vertellus sets year-end goals for Process Safety recordable incident rates at the beginning of each year. The results listed for each year represent the full calendar year incident rates. For 2022, Vertellus’ goal is an incident rate of ≤ 0.60 . As represented on p. 9, as of 6/30/2022, the year-to-date incident rate was 0.68.

The hazardous materials management (process safety) KPI is calculated in a manner similar to employee safety. Specifically, it is # of serious process safety incidents (OSHA Tier 1 and Tier 2) x 200,000/# of employee hours worked.

Endnote 4 - At onboarding, all companies are advised to begin reporting employee safety and DEI performance KPIs to their respective boards within six months and then continue doing so on a regular basis.

PAGE 15

Endnote 1 - www.engr.uky.edu/true-lean

PAGE 19

Endnote 1 - www.esgdc.org/



PRITZKER
PRIVATE CAPITAL

110 N. Wacker Drive
Suite 4400
Chicago, IL 60606

11150 Santa Monica Blvd.
Suite 1510
Los Angeles, CA 90025

ppcpartners.com

