

ATL Partners ESG Policy

The following policy and associated procedures have been updated to reflect current business practice, and are subject to change as ATL’s business requires, or as industry standards evolve. The following policy is current as of June 6, 2024. Goals stated within the following and foregoing policy are aspirational. There is no guarantee ATL will be able to achieve specific goals stated in the Report. The Report is not, and should not be construed as, offering investment advisory services or as an offer to sell or a solicitation of an offer to purchase interests in any vehicle managed or advised by the Adviser, and is not intended to be an “advertisement” for purposes of the Investment Advisers Act of 1940, as amended. Any investment performance included in the Report has been preserved to accurately illustrate the context in which the Report was prepared but should not be relied upon as a source for historical returns and has not been updated. Past performance is not indicative of future results. Investors may lose investment capital. Actual returns will depend on many factors and are subject to substantial risks and uncertainties.

ATL Partner’s Environmental, Social and Governance Policy

Overview

ATL incorporates environmental, social, and corporate governance (“ESG”) considerations in its business decisions and investments, which is essential to creating value for its partners. We believe responsibility starts on the home front and that by managing ESG factors, we better position the company for long-term success.

In addition, ATL implements and tracks ESG considerations, such as the environmental and social impact of business practices, throughout our private equity investments. From diligence through exit, our approach has always been to focus on sustainable, long-term value-creation. We integrate ESG considerations into our investment process to ensure that risk factors and opportunities are considered throughout the investment cycle. ATL is uniquely positioned to effect change through our portfolio company partnerships, and we are proud of the impact created through ongoing engagement with our partners.

Responsible Investment Policy

As a signatory to the United Nations Principles for Responsible Investing (“UN PRI”), ATL has adopted a Responsible Investment Policy modeled on the following six principles*:

1. We will incorporate ESG issues into our investment analysis and decision-making processes;
2. We will be active owners and incorporate ESG issues into our ownership policies and practices where possible;

3. We will seek appropriate disclosure on ESG issues by the entities in which we invest;
4. We will promote acceptance and implementation of the principles within our firm and within portfolio companies.
5. We will work together to enhance our effectiveness in implementing the principles.
6. We will be transparent about our activities and progress.

**The UN PRI are voluntary and aspirational. ATL Partners is committed to continuous improvement with regard to ESG integration in line with the Principles. There is no guarantee that ATL will achieve specific goals stated in its policy.*

In order to make a meaningful impact and be consistent with our fiduciary responsibility, ATL considers ESG issues across the investment decision-making process and value chain creation. ATL seeks to invest in portfolio companies that are conscious of ESG factors and are committed to developing sustainably or that show a willingness to integrate ESG into their business models. ATL believes this is important for two critical reasons:

1. First, ESG considerations help the investment team develop sustainable, long-term strategies for ATL portfolio companies, driving real value for shareholders.
2. Second, incorporating ESG enables ATL to create positive and meaningful impact to the environment and to the global society.

ESG factors will be considered in ATL's investment process from early review to exit. This approach provides a framework and guidance for ATL's investment team as well as portfolio companies.

During the due diligence process, ATL's investment team may consider, among other things, the following:

1. Is the investment in a prohibited sector or country?
2. Does the proposed investment operate in accordance with local laws and international good practices?
3. Has ESG-relevant data been gathered through interviews and site visits?

During the investment holding period, portfolio companies are encouraged to establish a formal ESG policy if one does not exist and report regularly on their ESG progress.

Environment

ATL recognizes that its activities and the activities of its portfolio companies may have an impact on the environment. To address key issues of environmental concern and minimize its environmental impact within its own operations, ATL endeavors to:

- Minimize office waste and encourage recycling
- Purchase office supplies that are made from recycled materials and/or non-toxic ingredients

- Promote video conferencing to reduce employee travel
- Encourage the use of public transportation as opposed to private vehicles
- Purchase carbon offsets equivalent to the emissions generated from Employee and Executive Board air travel

In addition, ATL leases a WELL Health-Safety certified office space.

Portfolio Company Engagement on Environmental Issues

As part of ATL's responsible investment philosophy, we seek to engage with our portfolio companies on environmental issues. All portfolio companies are required to offset carbon emissions generated from employee air travel annually.

Social

Providing a safe workplace with opportunities for personal development and reward nurtures talented people ultimately provides the foundation for future success regardless of age, race, gender, sexual orientation or disability. ATL endeavors, both within its own operations and with its portfolio companies, to ensure proper working and labor conditions, to safeguard the health and safety of the employees and to promote engagement within the communities in which it operates.

Discrimination and Harassment

ATL does not tolerate discrimination or harassment on the basis of race, creed, religion, color, sex, gender (including gender identity and gender expression), sexual orientation, pregnancy or related medical condition, breastfeeding, genetic information (including genetic predisposition and genetic carrier status), alienage or citizenship status, national origin, age, ancestry, marital or registered domestic partnership status, physical or mental disability, medical condition, AIDS/HIV, arrest or conviction record, status as a victim of domestic violence, stalking or sex offenses, military or veteran status, unemployment status or any other impermissible criterion or circumstance protected by federal, state or local law, ordinance or regulation, or because of his or her association with a person with a protected characteristic. It is the Company's intention to foster an environment that recognizes, respects and values different backgrounds and where everyone treats each other with respect and professional courtesy.

Human Rights

ATL supports and respects the human rights of its employees and the human rights of those affected by its investments. ATL will not invest in companies that utilize child or forced labor or maintain discriminatory practices.

Labor

ATL is committed to compliance with applicable national, state and local labor laws and provides a safe and healthy workplace in conformance with national and local law, and, consistent with applicable law, respects the rights of employees to decide whether or not to join a union and engage in collective bargaining.

Corporate Philanthropy

ATL is committed to giving back to its community through philanthropic partnerships. In addition, ATL encourages its employees to give back to local communities both through monetary donations and volunteer service. ATL matches employee donations to eligible nonprofit organizations dollar for dollar up to \$500 per employee annually, and matches employee donations to eligible nonprofit organizations to which that employee invests his or her time and effort dollar for dollar up to \$2,000 per employee annually.

Portfolio Company Engagement on Social Issues

ATL maintains the same social standards for its portfolio companies that it has set for itself. ATL will seek to ensure its portfolio companies:

- Do not tolerate abuses of human rights in their companies, or by their directors, officers or employees
- Operate in compliance with applicable national, state and local labor laws in the states/countries in which they operate
- Provide a safe and healthy workplace in conformance with national and local law
- Support the payment of competitive wages
- Give back to local communities through volunteer service as well as monetary donations

Governance

Corporate responsibility and transparency are integral to ATL's philosophy. We believe in open dialogue, clear communication and collaborating with our partners to achieve sustainable, long-term value creation. Our governance process sets our expectations on transparency, independent board membership, accountability and shareholders' rights for the companies in which we invest. ATL reviews its ESG policy on an annual basis to assess progress, ensure it accurately reflects the actions the company is taking related to environmental, social and governance issues and continues to align with evolving stakeholder expectations.

Dedication of Resources and Training

All employees review and receive general training on ESG matters by ATL's Compliance Officer as part of ATL's annual compliance training, including the relevance and importance of ESG factors in ATL's investment activities and portfolio company operations. All employees undergo external annual anti-harassment and anti-discrimination training as part of ATL's annual Human Resources training. The ATL ESG Officer will also undergo external, ESG-specific training to ensure she stays educated in current ESG matters and will arrange for appropriate ESG training for firm employees to complete. Finally, ATL's ESG Officer regularly attends ESG conferences and keeps the ATL Team informed of ESG developments and best practices. By investing in employee training, ATL can ensure that knowledge and messaging on ESG integration is spread throughout the workforce.

Transparency and Disclosure

ATL is committed to transparency and open dialogue with Limited Partners (LPs). Building positive relationships with shareholders is critical to smart investing and creating long-term value. ATL will share updates and progress formally in the following ways:

1. ESG Annual Report
2. ESG is a specific agenda item at ATL's Annual General Meeting and Advisory Board meetings
3. Quarterly report distribution to LPs
4. The Investment Committee meets regularly with LPs

Upon request, ATL will seek to disclose information sufficient to enable a potential LP that has expressed an interest in ESG management to:

1. Assess if ATL is aligned with the LP's ESG-related policy and investment beliefs;
2. Assess our policies and processes for identifying ESG-related issues and risk to identify possible areas for future development;
3. Understand if and how ATL influences and supports its portfolio companies' management of ESG related risks and pursuit of ESG-related opportunities; and
4. Assess ATL's approach to managing and disclosing material incidents at ATL and its portfolio companies.

During the life of the fund, ATL will seek to disclose information sufficient to enable an LP that has expressed an interest in ESG management to:

1. Establish if ATL is acting in a manner consistent with its investment policies and processes regarding ESG management;
2. Understand positive and negative ESG-related developments that may impact portfolio companies of the fund; and

3. Determine if responses to ATL and portfolio company incidents are consistent with relevant investment terms and the funds policies.

ATL encourages dialogue with LPs and other stakeholders on how ATL can better manage ESG issues. ATL strives to work with LPs to foster transparency about ESG performance.

Cybersecurity

ATL's Compliance Department reviews cyber policies and procedures as part of new hire training for all employees and conducts ad-hoc employee awareness training on topics such as phishing, malware, and other issues that may impact our company and employees. Cybersecurity is a central part of ATL employees' annual compliance training. With the assistance of our outsourced IT service provider, ATL conducts phishing, vulnerability and penetration testing on its employees.

Anti-fraud and Anti-corruption

ATL maintains strict policies that prohibit bribery and other improper payments to public officials consistent with the US Foreign Corrupt Practices Act, similar laws in other countries, and the OECD Anti-Bribery Convention. ATL adheres to the regulatory standards in the countries in which it or its portfolio companies operate.

Accountability and Oversight

ATL Partners has an ESG Officer who is responsible for overseeing ESG initiatives and firm adherence to ATL's ESG policy. The ESG Officer also maintains regular communication with senior leadership and the Board of Directors to provide progress updates.

Monitoring and Reporting

As a PRI signatory, ATL is committed to annual reporting related to its responsible investment practices using the PRI Reporting Framework. ATL lists its annual ESG Report on its website.

Portfolio Company Engagement on Governance Issues

ATL invests in companies that are expected to meet the interests of investors. Therefore, we pursue an active corporate governance policy. The following governance process applies to the companies in which we invest.

Board composition & proper risk management

The boards of ATL portfolio companies should consider and review, amongst other things, the strategic direction, quality of leadership and management, the internal controls and the operating performance of those companies. ATL seeks to appoint board members who are competent and have a broad range of skills, expertise, industry and other knowledge useful to the effective oversight of the portfolio company's business. Boards of directors are held accountable to all shareholders.

Executive remuneration

High level individuals are a vital component of success for any organization. Remuneration policies should allow the recruitment and retention of these individuals and provide appropriate incentive arrangements which reward returns for shareholders. In considering the pay arrangements for senior executives at ATL portfolio companies, ATL is concerned with the structure of total compensation and to ensure that potential rewards are aligned with shareholder interests. We note that to hire the best individuals, it is necessary for companies to pay at levels which allow them to compete in the market to recruit successful executives. However, the existence of this effect does not justify unwarranted transfers of value to executives.

Anti-fraud and Anti-corruption

ATL maintains strict policies that prohibit bribery and other improper payments to public officials consistent with the US Foreign Corrupt Practices Act, similar laws in other countries, and the OECD Anti-Bribery Convention and seeks to ensure its portfolio companies do as well. A zero-tolerance policy on corruption is at the heart of ATL's investment selection and due diligence process. ATL believes that the eradication of bribery and corruption through improved governance and increased transparency will create a fairer business environment in which to operate and will encourage more effective governance. Good governance is rooted in adherence to regulations and laws. ATL adheres to the regulatory standards in the countries in which it or its portfolio companies operate.

Monitoring and Reporting

While ATL's work in ESG starts on the home front, ATL's focus on ESG extends into each portfolio company. ESG is a critical element of portfolio company management for ATL and as part of the investment process, each portfolio company is required to establish a formal ESG policy if none exists. In addition, ATL requires each portfolio company to formally report on progress quarterly. Each portfolio company is required to have an active ESG committee that meets on a regular basis. Investment team members are responsible for reviewing and monitoring the day-to-day progress of their designated portfolio and work with the ESG contact at the companies to enhance quarterly reporting as needed. The investment team is also responsible for capturing and measuring any progress, both quantitative and qualitative, at the portfolio company level.

Open ESG Dialogue and Improvement

ATL is committed to continuous improvement related to its management of ESG. ATL encourages open dialogue with both its LPs and portfolio companies on how it can incorporate ESG initiatives in a way that is consistent with their goals in these areas. If you have any comments and suggestions on the policy, please do not hesitate to contact ATL's ESG Officer, Gabi Peic, gpeic@atlparkers.com.