

ESG Investment Policy

Littlejohn & Co. LLC

Our Approach

Littlejohn & Co. LLC ("Littlejohn") has a strong commitment to the highest standards of business practices and ethics. Littlejohn recognizes that environmental, social, and governance ("ESG") issues can affect investment performance and believes that effectively managing these issues can protect and create long-term value. In formalizing its commitment to ESG management, Littlejohn defined a set of principles that will guide its consideration of material ESG issues in investment decisions and ownership practices.

Through this ESG Investment Policy ("Policy"), Littlejohn strives to align generally with the industry guidelines set forth in the United Nations Principles for Responsible Investment ("UNPRI") and the United Nations Global Compact ("UNGC"). See Appendices A and B for additional information. Littlejohn recognizes that industry ESG guidelines and the approach to managing ESG issues will continue to evolve over time. As such, we will periodically review this Policy to incorporate prudent changes.

(1) Roles and Responsibilities

To support the implementation of the principles set forth in this Policy, Littlejohn will seek to enhance ESG management capacity among our investment professionals. We strive to implement this commitment by:

1. Providing all investment professionals with this Policy and related ESG documentation;
2. Continuing to build ESG awareness among our investment professionals by providing periodic ESG training; and
3. Engaging internal and external experts, where relevant, to assess the ESG standing of target investments and portfolio companies.

Additionally, we have an in-house ESG specialist that will assist us in implementing and expanding our ESG program.

(2) Investment Analysis and Due Diligence

During the due diligence phase of target investments, we will seek to consider material ESG issues in our investment decision. We strive to implement this commitment by:

1. Sending our proprietary ESG Due Diligence Questionnaire to target investments;
2. Assessing target investments' ESG risks and opportunities, as appropriate; and
3. Discussing relevant ESG issues during investment committee reviews.

(3) Responsible Ownership

Littlejohn endeavors to work with its portfolio companies to increase awareness of ESG issues, mitigate adverse impacts, and create value. We strive to implement this commitment by:

1. Distributing the Policies and Procedures for Portfolio Companies, where ESG responsibilities and reporting are outlined, to portfolio companies acquired beginning with Fund V and later funds;
2. Encouraging our portfolio companies to operate in general alignment with the UNGC principles, including, but not limited to, the applicable laws and regulations of the jurisdictions in which they operate with respect to environment, health and safety, labor relations, human rights, business practices and governance;
3. Enhancing portfolio company management's awareness of ESG principles and related risks, opportunities, and considerations;
4. Identifying ESG risks that may impact the investment performance;
5. Analyzing opportunities to reduce cost and increase efficiency across our portfolio companies' operations; and
6. Monitoring performance against relevant ESG indicators and comparing to appropriate benchmarks.

(4) Accountability and Transparency

Littlejohn will create accountability within our organization and disclose its approach to and assessment of ESG issues to limited partners. When applicable, we strive to implement this commitment by:

1. Allocating sufficient internal and external resources to support the commitments made in this Policy;
2. Integrating discussion of ESG issues, management activities, portfolio company performance, and communications internally and with our limited partners; and
3. Collecting and tracking relevant data from our portfolio companies.

Conclusion

We believe that effectively managing ESG can protect and create long-term value. We consider this Policy to be a living document that will be reviewed and updated periodically. If you have any questions, please contact Ana Goizueta, Investor Relations, at agoizueta@littlejohnllc.com.

Appendix A – UNPRI’s Six Principles

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
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 the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.

Appendix B – UNGC’s Ten Principles

Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. Make sure that they are not complicit in human rights abuses.

Labor

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. The elimination of all forms of forced and compulsory labor;
5. The effective abolition of child labor; and
6. The elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. Undertake initiatives to promote greater environmental responsibility; and
9. Encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

Important Disclosures

This investment policy applies only to investments where Littlejohn is the majority owner of the equity; it does not apply to minority or other investments. Further, this investment policy applies only to those majority owned investments in Littlejohn Fund V and later. Littlejohn does not invest solely on the basis of ESG criteria, but rather it is one of many factors considered by the Firm. The policy establishes guidelines, but whether particular aspects of the policy are relevant will depend on the facts and circumstances around each investment. There is no guarantee that Littlejohn's action noted in the policy will have any material impact on ESG matters for portfolio companies.