

IMPACT CASE STUDIES

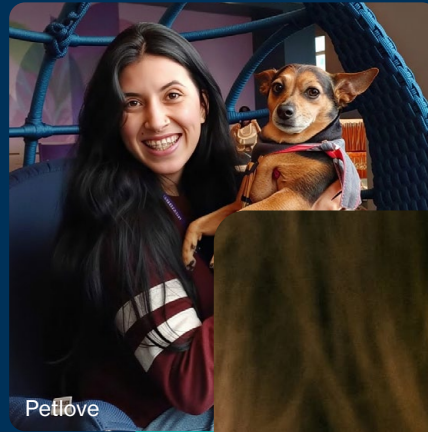


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2026

690

690-12

395

BUTTERNUT BOX



STRATEGY

EUROPE / FLAGSHIP BUYOUT

YEAR OF INVESTMENT

2020

Founded in 2016, *Butternut Box* is a U.K.-based direct-to-consumer fresh pet food company that produces gently cooked recipes tailored to each dog's dietary needs and delivers meals directly to customers.

Through its vertically integrated operating model, *Butternut Box* oversees product development, manufacturing, and distribution, supporting a differentiated proposition built around quality, transparency, and convenience. For *Butternut Box*, a focus on product quality and food safety has been a cornerstone of building customer trust and long-term brand value. Because pet food



quality can have a direct impact on animal health and well-being, maintaining high standards of food safety and quality is especially important for pet owners. Failures in food safety or product quality can have significant consequences for animal health, customer trust, and brand reputation. With this in mind, *Butternut Box* has built its business around providing "real ingredients, rigorous standards, made clear." To support this mission, the company has invested in the systems, processes, governance, and food safety controls needed to maintain high standards of food safety and quality, drawing on established food industry standards as it has scaled across Europe, serving more than 315 million meals to date. By embedding these controls throughout its operations, *Butternut Box* has been able to

grow sustainably, maintaining product consistency and doing right by customers and their pets.

A key differentiator of *Butternut Box*'s approach is its focus on fresh preparation, gently cooked meals designed to provide a less processed alternative to traditional dry and canned pet food. While this model is growing in popularity, it also requires rigorous food safety and quality controls to ensure products can be produced consistently and safely at scale. Recipes are made using whole ingredients and are formulated to provide complete and balanced nutrition in alignment with European Pet Food Industry Federation standards. Lower-temperature cooking methods are utilized to gently cook meals at 194°F / 90°C before being frozen for freshness, helping

to maintain nutritional integrity while longer cooking times are used to ensure food safety. Food safety is embedded throughout *Butternut Box*'s production lifecycle, from recipe development through manufacturing. The company follows a new product development process, requiring prospective recipes to undergo food safety, quality, supplier, and operational reviews before launch. This approach helps identify and address potential quality or safety issues before products reach customers, reducing the risk of recalls, customer complaints, and operational disruption. Once in production, a dedicated technical team oversees ingredient inspection, microbiological testing, hygiene monitoring, transportation controls, and Hazard Analysis and Critical Control Point (HACCP) compliance. The company also conducts outbound product testing to verify compliance with established standards and maintains Grade AA certification under the Brand Reputation Compliance Global Standards (BRCGS), one of the food industry's leading food safety and quality frameworks. These controls help maintain consistent product quality while reducing the risk of food safety incidents.

Food safety oversight extends beyond production controls.

BUTTERNUT BOX (CONT.)

The company monitors customer feedback and uses these insights to drive continuous improvement, including reformulating recipes where appropriate. This feedback loop helps identify potential quality concerns early and provides additional visibility for monitoring product quality after products reach customers. As production expands across Europe, *Butternut Box* has focused on replicating proven food safety and quality systems across facilities rather than developing site-specific processes. This approach supports consistent standards and reduces the risk that expansion introduces variability in operational controls.

In addition to its manufacturing controls, *Butternut Box* monitors food safety performance through a range of key indicators, including complaints per million units (CPMU), achievement and maintenance of BRCGS food safety certification, and customer satisfaction ratings collected through Trustpilot reviews. The company also tracks public recalls, with none recorded to date, alongside emerging food safety risks and issues identified by border control authorities, as well as site-level food safety and quality metrics

such as product microbiology pass rates, internal audit completion, and nutritional compliance. Monitoring these indicators helps identify improvement opportunities and supports a culture of continuous quality management as production volumes grow.

To maintain consistent food safety and quality standards across its manufacturing and fulfilment network, *Butternut Box* has invested in automation technologies throughout its operations. Within its fulfilment operations, the company has implemented a customized automation solution that incorporates autonomous mobile robots (AMRs), automated pallet

unloading equipment, and integrated Enterprise Resource Planning (ERP) connectivity. It is also exploring the use of X-ray detection and vision systems. These technologies can improve efficiency and consistency across the fulfilment process by reducing handling errors and contamination risks, supporting food safety objectives as order volumes continue to grow.

Beyond logistics automation, *Butternut Box* is expanding its use of artificial intelligence (AI) to enhance traceability, root cause analysis, risk identification, and the review of food safety alerts and supplier specifications across its operations. The company is testing



an AI-powered detection system to identify defective pouches during production. Human oversight remains integral to all processes, ensuring decisions are accurate and aligned with food safety and quality standards. Together, these technologies strengthen quality assurance, improve operational efficiency, and support food safety performance at scale. By improving the speed and consistency of quality reviews, these capabilities help teams identify and respond to potential issues more efficiently.

By embedding food safety and quality throughout product development, manufacturing, fulfilment, and customer feedback processes, *Butternut Box* has built a comprehensive quality management approach that supports consistency and continuous improvement. As demand for fresh pet food continues to grow, these capabilities provide a strong foundation for sustainable expansion while maintaining the quality and reliability customers expect from the brand.

KETTLE CUISINE



STRATEGY

FLAGSHIP BUYOUT

YEAR OF INVESTMENT
2022

Kettle Cuisine is a leading wholesale manufacturer of artisan-quality, fresh prepared food solutions at scale for restaurant and grocery customers across North America. Leveraging its unique technical manufacturing expertise, Kettle Cuisine delivers a wide variety of innovative, fresh prepared food solutions, including soup, sauces, sous-vide proteins, and ready-to-eat skillet meals.

Operating within a highly regulated food manufacturing environment with a complex, multi-tier supply chain, the business is exposed to evolving food safety requirements, labor and human rights standards, environmental regulations, and



increasing customer disclosure expectations. To manage these risks while enhancing operational performance, *Kettle Cuisine* has developed a governance-led approach that integrates sustainability responsibilities into existing business processes. This model is designed to address key compliance gaps, customer expectations, and cost-related priorities, helping to mitigate risks while building operational value.

Oversight of governance and sustainability-related activities is coordinated through a cross-functional Sustainability Oversight Group, which includes representatives from procurement, finance, compliance, operations, regulatory, commercial, environmental health & safety, executive leadership, and

L Catterton's Sustainability team. L Catterton participates in the group as an active partner, providing technical expertise, regulatory insight, and benchmarking support to inform Kettle Cuisine's decision-making and strengthen governance practices during ownership.

Established in April 2026 to provide greater cohesion and clarity on priorities across the ESG landscape, the Sustainability Oversight Group meets at least twice annually to review ESG performance, prioritize initiatives, and provide recommendations that feed directly into management processes. While the group does not make capital allocation decisions, it serves as a formal mechanism for elevating ESG topics to executive leadership, with recommendations and updates communicated through management channels, including executive debriefs and regular leadership meetings. This provides a structured pathway to inform operational improvements and supplier- and facility-level actions. *Kettle Cuisine's* executive leadership team, which is responsible for setting priorities, considers these inputs as part of broader resource allocation processes and monitors progress against defined metrics.

As part of its establishment, the Sustainability Oversight Group

identified and prioritized three core sustainability objectives in 2026:

- Closing regulatory compliance gaps
- Meeting customer expectations
- Identifying cost savings opportunities



To support delivery of these objectives, the company defined focus areas across compliance, commercial, and cost drivers, including climate disclosures, energy efficiency, packaging, waste management, and retailer reporting. This structure provides a clear link between governance oversight and

KETTLE CUISINE (CONT.)

day-to-day operations, ensuring that sustainability initiatives are actionable, measurable, and aligned with business priorities. To drive accountability and support execution, *Kettle Cuisine* has also assigned senior-level executive ownership to select initiatives, including energy efficiency and waste management priorities, and established defined indicators to track performance and progress over time.

Energy efficiency is managed as both a compliance-relevant and cost-sensitive priority for *Kettle Cuisine* given its role in reducing operating costs, supporting emissions reporting requirements, and aligning with customer expectations tied to sustainability performance. Through the structure of the Sustainability Oversight Group and assigned senior executive ownership of related initiatives, the company oversees energy audits, bill reviews, tracks identified efficiency opportunities, and monitors energy consumption and related metrics. This structure elevates energy performance from a facility-level operational concern to an executive-level discussion, providing leadership with visibility into energy as a recurring cost driver and informing prioritization.



To support decision-making, *Kettle Cuisine* is working with a third-party partner to improve data collection and establish baseline energy and emissions profiles. These baselines enable more targeted identification of reduction opportunities supporting both cost savings and customer-driven emissions reporting requirements. At the same time, the company is also exploring process optimization and equipment modernization, particularly at the Green Bay and Savage facilities, to improve production flow and reduce unnecessary energy use, with governance oversight used to assess cost implications as part of broader operational decision-making. This more robust base has allowed *Kettle Cuisine* to respond to customer requests and commit to reduction targets.

Waste management is addressed through a governance lens that



balances regulatory compliance and operational efficiency. Initiatives such as improved sorting, contract optimization, and byproduct recovery inform broader discussions around cost discipline and compliance readiness. As an example, *Kettle Cuisine* has been working with Loopt to do site-level waste opportunity assessments, starting at their Everett, Washington facility. Initially selected due to rising utility and waste costs in the region and the availability of state-supported resources, the analyses uncovered opportunities to reduce landfill disposal, improve waste stream segregation, and increase recycling and reuse. The result has been higher organic composting rates and reduced tipping (landfill) fees.

Beyond waste management, evolving customer and regulatory expectations are also increasing the importance of broader resource efficiency

priorities, including energy use and greenhouse gas (GHG) emissions management. These topics are becoming increasingly relevant to commercial relationships, as *Kettle Cuisine*'s major retailer customers expand sustainability-related information requests. Some seek information on emissions reductions as part of broader climate initiatives, while others request data to assess the sustainability impact of their suppliers' products. These customer requests reinforce the need for robust energy tracking and environmental data management. By building out these capabilities and responding to requests, *Kettle Cuisine* strengthens its customer relationships, supports regulatory readiness, and reinforces its positioning as a credible and responsive supplier.

Together, *Kettle Cuisine*'s governance model creates clear accountability and executive-level visibility into priority areas directly linked to compliance, customer expectations, and recurring operating costs. By embedding oversight of energy efficiency, waste management, and other cost-relevant operational topics into regular management reviews, *Kettle Cuisine* makes sure that these issues remain visible, owned, and evaluated over time, supporting disciplined risk management, cost awareness, and long-term value creation.

SEPTEMBER 2026

MARIA NILA

maria nila
STOCKHOLM

STRATEGY EUROPE

YEAR OF INVESTMENT
2023

Founded in 1999, *Maria Nila* is a 100% vegan, cruelty-free Swedish professional haircare brand with a global presence in over 45 markets across three continents. With its own production facility in Helsingborg, Sweden, the company has maintained end-to-end control across product development, manufacturing, and distribution, allowing for sustainability to be deeply embedded throughout the product lifecycle.

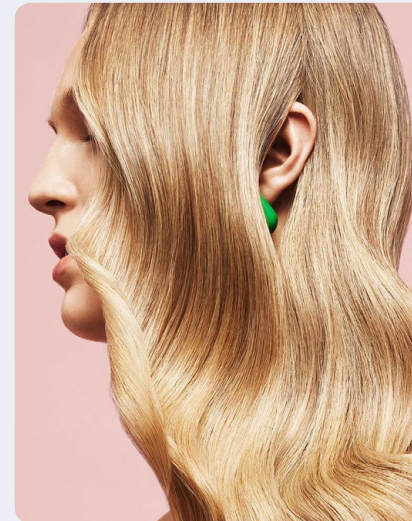
At the core of *Maria Nila*'s approach is a commitment to creating more sustainable beauty products. This philosophy is reflected in the company's vegan formulations,

responsible sourcing practices, and ongoing efforts to better understand and reduce the environmental impacts associated with its products. As consumer demand for transparency and sustainability continues to grow, these commitments have become an important part of *Maria Nila*'s brand positioning.

Maria Nila explored third-party certifications that could enhance its existing product strategy, add credibility to its climate strategy, and enable participation in sustainability-focused shopping programs. *L Catterton* provided strategic support throughout the evaluation process, helping the company assess available options and identify opportunities aligned with its sustainability and commercial objectives.



Given Amazon's importance as a growing channel for U.S. and international expansion, Amazon's Climate Pledge Friendly (CPF) program emerged as a strategic opportunity for the *Maria Nila* brand. The CPF program is designed to increase product visibility, enable



incremental consumer discovery, and connect sustainability-curious shoppers with the brand.

After reviewing multiple eligibility pathways within the CPF program, including packaging efficiency, safer chemicals, and carbon impact, the climate category emerged as the most strategic fit given its alignment with the company's long-standing carbon footprint and offset strategy. Among the available certification options, the ClimeCo Certified Product™ Program was selected due to its rigorous requirements and strong market credibility. Notably, it was the only qualifying climate certification at the time that required a full product-level Life Cycle Assessment (LCA), providing a robust and transparent evaluation of product carbon impacts.

To achieve certification, *Maria Nila* engaged an external consultant to conduct LCAs and develop product-level emissions reduction plans. The assessments identified key emissions hotspots across the product lifecycle. For rinse-off products such as shampoos, conditioners, and hair masks, the consumer use phase, including heating water during use, accounted for more than 90% of total carbon emissions. While this finding highlighted the significant influence of consumer behavior

MARIA NILA (CONT.)

on product footprints, *Maria Nila* identified several targeted opportunities to reduce emissions across its direct value chain, including increasing the use of post-consumer recycled (PCR) plastic in packaging materials, reducing production waste, expanding the use of biofuels in transportation, optimizing logistics, and encouraging suppliers to establish science based targets. These initiatives are intended to address the most significant sources of controllable greenhouse

gas emissions identified during the assessments and support continual improvement in product-level environmental performance.

Several *Maria Nila* products have since achieved ClimeCo certification, qualifying them for inclusion in Amazon's CPF program under the Carbon Impact category. *Maria Nila* plans to establish an audit program to maintain product certifications and continued eligibility for the CPF program. The certification process also provided *Maria Nila* with a more robust understanding of product-level carbon impacts and actionable insights to guide emissions reduction efforts across its value chain.



Beyond product-level certifications, *Maria Nila* continues to pursue sustainability initiatives across its operations. Recent efforts include removing unnecessary outer packaging from select products, increasing the use of recycled materials in gift sets and point-of-sale displays, and introducing multifunctional retail displays designed to reduce material consumption. The company has also strengthened its waste management practices, lowering waste volumes while creating more opportunities for material reuse.

These operational changes sit alongside a broader push for external validation of *Maria Nila's* sustainability strategy. In 2024, the company became B Corp

certified – the first Swedish professional haircare brand to earn the designation – following B Lab's assessment of its governance, worker, community, environmental, and customer impact. Its score of 114.3, against an 80-point certification threshold, was driven largely by strong marks in environment (43.6) and community (38.2), reflecting both the packaging and waste initiatives above and its work on LCAs and emissions reduction planning. Together, these efforts give *Maria Nila's* climate strategy added credibility and customers a concrete basis for trusting its sustainability claims.



REALTRUCK



STRATEGY

FLAGSHIP BUYOUT

YEAR OF INVESTMENT

2021

RealTruck is a leading manufacturer and omni-channel retailer of accessories for trucks, Jeep®, Bronco®, and off-road vehicles, operating a broad network of manufacturing and distribution facilities across the globe. Its integrated platform, spanning product development, manufacturing, digital retail, and installation, creates operational complexity, making workforce safety a core pillar of operational excellence and a cornerstone of the sustainability program.

RealTruck treats improving safety outcomes as one of the most direct levers for strengthening productivity, reducing disruption, managing

costs, and supporting employee retention. Safety is embedded as a day-to-day operating priority rather than a standalone initiative. *RealTruck* supports this through a structured safety model anchored in its Environmental, Health and Safety (EHS) function, combining centralized oversight with strong site-specific accountability. Additionally, *RealTruck* requires employees to complete annual safety training along with role-specific certifications tied to site-specific risks, ensuring that protocols reflect the realities of manufacturing and distribution environments.

A key differentiator of *RealTruck's* program is the active involvement of employees in identifying and managing workplace safety. Through

Safety Action Teams, regional safety groups, and site-specific committees that meet monthly, employees share responsibility for safety and are expected to identify risks, report unsafe behaviors, and contribute to corrective actions. This shared accountability strengthens safety adherence by embedding ownership of safety outcomes at the frontline. Additionally, within manufacturing facilities, Compass Rooms serve as dedicated physical environments for structured safety discussions, providing a formal channel for frontline employees to raise and resolve issues quickly. This emphasis on participation supports a behavior-based safety model, where unsafe actions are identified and addressed through targeted intervention and

recurrence is prevented through ongoing training.

This approach has yielded immediate results, with safety efforts focused on the most common and impactful risks within operations. For example, targeted initiatives to reduce hand injuries and lacerations, which are frequent issues in manufacturing settings, have driven reductions in both incident frequency and severity. To sustain these improvements, regular internal reviews, supported by external insurance partners providing risk assessments and training, help ensure that practices continue to evolve in line with operational needs and regulatory expectations.

Technology has further strengthened execution of *RealTruck's* safety strategy. A centralized EHS platform aggregates safety data across facilities, tracks key indicators such as incident rates, and allows for consistent reporting and benchmarking. The recent expansion of this system across international operations has improved visibility into global performance while maintaining a consistent approach to risk management. This enhanced visibility and responsiveness has translated into sustained improvements and measurable outcomes. *RealTruck's* decade-long commitment to safety has culminated in achieving a Total Recordable Incident Rate (TRIR) of



1.28 in 2025, well below the industry average of 4, and reducing both total injuries and lost time due to injury year-over-year.

Beyond the operational and employee well-being benefits, these improvements have had a direct financial impact. Reduced incident frequency and severity have led to significant decreases in insurance premiums in 2025, including approximately \$1 million in annualized savings in the United States and approximately \$150 thousand in Mexico. These outcomes reinforce safety's role as a driver of operational efficiency, cost discipline, organizational resilience, and value protection.

The emphasis on safety extends beyond internal operations into the broader value chain. Expectations are formalized through the Supplier Code of Conduct, requiring partners to maintain safe working environments, implement hazard controls, and provide appropriate training. These expectations are supported by supplier onboarding assessments and periodic audits, alongside ongoing enhancements to centralized compliance tracking and disclosure capabilities, ensuring



20%

decrease in TRIR since 2024

33%

decrease in Days Away, Restricted, or Transferred (DART) since 2024

a more consistent approach to risk management across supplier and manufacturing partners. Collectively, these efforts contribute to aligning operations with ISO 14001 standards – four facilities are currently certified – helping *RealTruck* meet its customers' expectations for overall sustainability performance.

Looking ahead, *RealTruck* is focused on scaling and more deeply integrating its safety initiatives across the business. Building on

its investment in safety leadership training and proactive culture transformation, the company is advancing its whole-life safety training program as a core driver of this effort. This nine-week program strengthens engagement at every level by equipping frontline employees with the tools, behaviors, and accountability frameworks needed to embed and sustain a consistent, behavior-based safety culture across all operations.

Enhanced data capabilities, including the continued evolution of its incident tracking system toward a more robust, web-based platform, are expected to improve visibility and enable real-time decision-making. In parallel, Safety Observation Tours have been relaunched to reinforce consistent, hands-on engagement with frontline operations. These walkthroughs, together with improved lockout and power-down practices for hazardous machinery, are helping to standardize and elevate safety performance across sites.

As *RealTruck* continues to progress on its sustainability journey, *L Catterton* has worked alongside the company to strengthen ESG governance, provide strategic guidance, and support the resources needed to advance key priorities, including focus areas like workplace safety. By strengthening its overall ESG program, *RealTruck* is better positioned to manage risk, retain talent, enhance compliance preparedness, and reinforce a culture of safety that protects employees while contributing to sustained success. Collectively, these efforts position safety as a central pillar of *RealTruck's* ESG strategy and long-term value creation, demonstrating how disciplined safety management can strengthen operational performance, reduce costs, and protect enterprise value.



AUGUST 2026

[SOLIDCORE]

[solidcore]

STRATEGY
FLAGSHIP BUYOUT

YEAR OF INVESTMENT
2024

[solidcore] is a premium boutique fitness company that operates over 150 owned studios across the U.S. The company delivers high-intensity, low-impact, Pilates-inspired strength training using custom-built resistance reformers, creating a differentiated, results-driven member experience.



At the center of *[solidcore]*'s success is a commitment to fostering a culture grounded in wellness, inclusivity, and a best-in-class employee experience. This people-first approach is a core component of *[solidcore]*'s strategy, recognizing that employee engagement and talent retention are critical drivers of long-term value creation.

Coaches and studio teams serve as the face of the business and are responsible for creating a positive, consistent client experience. As a result, *[solidcore]* views its workforce not simply as operators, but as brand ambassadors whose performance directly impacts client satisfaction, loyalty, and lifetime value. Positive relationships between coaches and clients foster

community, drive repeat attendance, and strengthen brand loyalty. Client feedback highlights the tangible impact of *[solidcore]*'s coaches, with many clients stating coaches are the reason for their membership and make them look forward to going to class.

To support its ability to attract, develop, and retain high-quality talent, *[solidcore]* has embedded employee engagement into its core strategy. In 2026, the company redesigned its listening approach, introducing three shorter pulse surveys alongside its annual engagement survey to increase participation and ensure more actionable insights. Feedback from employees has highlighted strengths in overall engagement and long-term commitment to the

800+

employees participated in 14 learning and development sessions spanning topics such as emotional intelligence, feedback, and career planning

94%

of participants cited value for career growth

85%

would recommend the workshops to peers or direct reports

organization, while also identifying opportunities for improvement in areas such as clear communication, fair and transparent compensation structures, strong people leadership, and career development.

Several initiatives informed by this employee feedback were launched in 2025 to promote development and engagement. These included more frequent company-wide



workshops, expanded individual development planning sessions, and the introduction of more consistent performance conversations between employees and managers. From December 2025 through March 2026:

- 800+ employees participated in 14 learning and development sessions spanning topics such as emotional intelligence, feedback, and careers planning.
- 94% of participants cited value for career growth, and 85% would recommend the workshops to peers or direct reports.

In parallel, *[solidcore]* has continued to strengthen leadership and talent across the organization. A required curriculum for 203 field leaders across all six regions is currently being rolled out to strengthen leadership capabilities and promote consistent management practices throughout the organization. Leadership skills are further supported through targeted initiatives such as the “Raise the Bar” program, which has trained more than 20 field and headquarter leaders in communication, feedback, and leadership presence.



[solidcore] further reinforces engagement through recognition programs, regular company-wide communication, and community-based initiatives. Local recruiting efforts, including “Meet the Recruiter” events and partnerships with fitness and retail brands, support talent acquisition while strengthening brand awareness in key markets.

Inclusion and belonging are an important pillar of the company’s broader people approach because a diverse and inclusive environment strengthens employee satisfaction and elevates the client experience. In 2025, *[solidcore]* introduced unconscious bias training, hosted identity-focused workshops, and facilitated discussions to promote inclusive leadership and

workplace interactions. These efforts are reinforced through Employee Resource Groups (ERGs) representing LGBTQIA+ employees, People of Color, and Working Parents, as well as engagement driving initiatives such as quarterly “Real Talks,” cultural celebrations, and external partnerships. The company is also implementing formal tracking of ERG participation and engagement metrics beginning in 2026 to better measure the impacts of these programs over time.

Alongside engagement and culture initiatives, foundational elements of the employee experience are also being addressed. Based on employee feedback, an external partner has been engaged to review and formalize compensation structures, with the goal of

increasing consistency, clarity, and transparency across roles. This work reflects a commitment to addressing both near-term employee concerns and long-term organizational sustainability.

With the support of *L Catterton*, *[solidcore]* continues to strengthen its employee experience through its people and culture strategy while preserving the qualities that define its brand. *L Catterton* has contributed through strategic connections and resources, including partnerships with leadership development firms, recruiting agencies, and organizations such as Ownership Works to enhance employee engagement and communication around incentive planning. As *[solidcore]* continues to grow, the focus remains on listening to employees, strengthening leadership capability, and building scalable people initiatives that support the goal of being an employer of choice.



THORNE

THORNE®

STRATEGY

FLAGSHIP BUYOUT

YEAR OF INVESTMENT

2023

Thorne is a science-backed health and wellness company offering nutritional supplements, diagnostic tools, and personalized wellness solutions designed to help individuals make more informed decisions about their health and well-being. Guided by clinical research and an in-house team of doctors, researchers, and scientists, Thorne has built a reputation for high product quality, scientific rigor, and consumer trust.

Product quality and integrity are vital to *Thorne's* brand, translating into a high level of consumer trust and loyalty. To continue to deliver this, *Thorne* has prioritized high

performance in worker health and safety, workforce engagement, product quality, supply chain oversight, and governance practices that support long-term business resilience. Supported by *L Catterton's* Sustainability & ESG program, these efforts have included enhancements to workplace safety programs, product quality and supplier oversight processes, as well as broader governance practices designed to strengthen operational resilience and support long-term growth. Recognizing the importance of these topics, *Thorne* has continued to take a more structured approach to managing sustainability-related risks and opportunities across the business.

For instance, with approximately 55% of employees working in manufacturing and warehouse

environments, maintaining a safe workplace is an important operational and value protection priority for *Thorne*. Effective safety practices help protect employees from workplace injuries, support workforce engagement and morale, and reduce the potential for operational disruptions. As a part of these efforts, *Thorne* implemented several enhancements to its safety management processes, including leadership-led safety observation initiatives, industrial hygiene evaluations, job hazard analyses, expanded safety training initiatives, and enhanced tracking of safety performance indicators. These programs were supported by a company-wide focus on safety education, resulting in a 100% completion rate for required safety training in 2025.



The company also strengthened corrective action management processes and increased its focus on proactive risk identification, further supporting its broader efforts to maintain a strong safety culture and manage workplace risks. In 2025, *Thorne* achieved a 96% corrective action completion rate across more than 1,100 safety behavioral audits, helping reinforce accountability and continuous improvement across operations. These efforts contributed to a 70% reduction in days lost due to workplace injuries, while also supporting more than \$300,000 in insurance premium savings, demonstrating the operational and financial value of proactive safety management.

Over the last three years, *Thorne* has also expanded its investment in human capital management through employee development and engagement initiatives. The company launched *Thorne University*, a centralized training platform designed to support employee progression and skill development, while also introducing a formal performance management cycle to encourage consistency, goal setting, and employee growth. Together, these efforts complemented existing employee engagement initiatives, establishing a more structured approach to

THORNE (CONT.)

workforce development, and helping strengthen employee engagement across the organization.

Beyond workforce initiatives, *Thorne* has continued to strengthen systems that reinforce product quality, ingredient integrity, and consumer confidence. *Thorne* maintains multi-stage product testing procedures, quality audits, a Supplier Code of Conduct, complaint-monitoring systems, National Sanitation

Foundation certification, third-party testing protocols, and quality controls aligned with FDA Good Manufacturing Practices designed to help ensure product safety and consistency. The company also maintains a prohibited materials list and sources approximately 95% of ingredients domestically, supporting ingredient traceability and supply chain visibility. These efforts have helped strengthen operational oversight, reinforce consumer trust, support supply chain visibility, and maintain the high product quality standards that are central to *Thorne's* brand and business model. As a result, these practices have contributed to a strong product safety record and support *Thorne's* commitment to product quality and consumer safety.

By creating strategic connections between its business priorities and ESG considerations, *Thorne* has strengthened the systems, processes, and governance practices that support product quality, operational resilience, and long-term value creation. Looking ahead, *Thorne* aims to build on the progress achieved in partnership with L Catterton by further embedding ESG to enhance risk management capabilities across the business while reinforcing the foundation needed to support future growth.



A man and a woman are sitting on the tailgate of a red pickup truck. The man is wearing a grey beanie, sunglasses, and a grey puffer jacket over a plaid shirt. The woman is wearing a grey beanie and a grey puffer jacket. They are both smiling and looking at each other. The truck is parked on a grassy hillside with mountains in the background. The truck has a black bed liner and a red "4x4" badge on the side. The year "2025" is written in white text in the center of the image.

2025

INTERCOS GROUP

intercos
GROUP

STRATEGY

FLAGSHIP BUYOUT

YEAR OF INVESTMENT
2014

Intercos Group is a leading global manufacturer of color cosmetics, skincare, and personal care products, partnering with the world's top beauty brands to design, develop, and produce innovative formulations at scale. The company combines deep technical and analytical expertise with advanced production capabilities to bring sustainable, quality products to market. Guided by innovation



and client partnership, *Intercos'* sustainability program reflects both its technical leadership and its unique position at the center of the global beauty value chain.

Sustainability has long been integral to *Intercos'* strategy, with environmental and social considerations embedded across design, sourcing, and operations well before these became regulatory expectations.

As expectations around ingredients and packaging have evolved across the beauty industry – and as

Today, the company's ESG program is anchored by five strategic pillars:¹

- Responsible Value Chain & Due Diligence
- Governance & Transparency
- People Safety & DEI
- Climate & Environment
- Responsible Innovation & Product Stewardship



global reporting standards have become more rigorous – *Intercos* has strengthened its sustainability governance and embedded these principles into sourcing and innovation decisions, from prioritizing natural origin materials to improving packaging, eco design, recyclability, and supplier evaluations.

Oversight of the company's sustainability strategy is provided by a cross-functional Sustainability Steering Committee and the Board of Directors, who review performance indicators against defined sustainability objectives. For example, progress on greenhouse gas emissions, energy efficiency, and overall carbon footprint reduction is reported to the Board at least annually, including through sessions dedicated exclusively to climate strategy and decarbonization. These efforts are also disclosed in the company's public reporting, and represent a structured approach that has enhanced transparency,

driven measurable outcomes, and strengthened *Intercos'* credibility with key stakeholders.

As part of this governance model, *Intercos* integrates key sustainability metrics into a portion of its executive compensation scorecard, linking greenhouse gas reduction targets to its bonus scheme.² By aligning financial incentives with sustainability objectives, *Intercos* has driven business-aligned ESG progress at the company and accelerated capital investments tied to the company's decarbonization goals, including installation of new energy efficient air compressors and boilers, photovoltaic panels, and LED light retrofits. While current incentives are focused on climate-related objectives, this top-down commitment lays the groundwork for future integration of the company's wider sustainability priorities, including responsible innovation, workforce inclusion, and value chain oversight.

Innovation remains central to *Intercos*' value creation model, with sustainability serving as both a catalyst for new ideas and a driver of customer value. Across its global network of research and development (R&D) centers, the company's R&D experts – often in collaboration with leading universities and technical institutes – develop new formulations, production methods, and packaging solutions that reduce environmental impact while meeting the quality standards of luxury and mass beauty brands.

Once concepts are validated, the company proactively presents these innovations to customers – often ahead of market demand – demonstrating its leadership in sustainable product development and sparking new opportunities for collaboration.



For *Intercos*, this proactive engagement is both a commercial differentiator and a strategic responsibility: by helping brand partners understand the business case for sustainable innovation, the company enables them to meet growing consumer demand for products that are both high-performing and responsibly made.

Recent R&D work has focused on aligning product innovation with circularity and reduced waste. For example, *Intercos* has developed new bio-based materials derived from renewable resources, such as plant-based waxes and fluids, and has advanced research into upcycled ingredients created from coffee and tomato by-products.

These projects, like the Coffee Butter and TomatoResin concepts, illustrate how agricultural or industrial waste can be transformed into high-performance raw materials, contributing to both environmental goals and product differentiation.

Intercos' ability to combine sustainability leadership with deep customer collaboration is a key source of competitive strength. As a strategic supplier to major global beauty companies, the company



works closely with customers to advance shared sustainability goals, ranging from cleaner product formulations to more sustainable packaging design. Recent initiatives include reformulating key products to eliminate materials such as talc and other legacy ingredients and partnering with customers to reduce plastic content and petroleum-based resins in primary packaging.

In parallel, customers with Scope 3 reduction commitments have placed growing emphasis on transparency around greenhouse gas emissions, resource use, and supplier practices. In response, *Intercos* undertook a comprehensive climate assessment and modeled multiple decarbonization pathways, evaluating the operational and financial implications of each scenario.

The findings from this analysis informed the company's 2025–2035 Sustainability Plan, which formalizes *Intercos*' commitment to the Science

Based Targets initiative (SBTi) and outlines its intention to establish verified emissions reduction targets across Scopes 1, 2, and 3.¹

Building on its comprehensive climate assessment and modeling work, the company is now deepening its analysis, particularly on Scope 3, to refine reduction pathways and operationalize decarbonization efforts across its global value chain.

This deliberate and data-driven approach reinforces *Intercos*' reputation as a future-fit, strategically positioned business. From its strong alignment with the sector's decarbonization goals, to its position as a partner of choice for customers advancing their own sustainability commitments, *Intercos* is driving value, strengthening customer relationships, enhancing market differentiation, and helping accelerate the industry's transition toward more sustainable products and practices.

¹ Updated sustainability pillars and programming such as SBTi targets published by *Intercos* on 10/29/25 via LinkedIn.

² Integration of emissions reduction progress into the Performance Shares Plan publicly reported by *Intercos*: Report on remuneration policy for 2025 and remuneration paid in 2024.

PETLOVE



STRATEGY

LATIN AMERICA

YEAR OF INVESTMENT 2020

With over 1,500 employees across offices, distribution centers, and storefronts, each employee at *Petlove* plays a part in delivering positive customer experiences for pet owners and their pets every time they shop online or visit a *Petlove* store. Operating in a competitive technology and retail labor market, *Petlove* understands that its ability to meet and exceed customer expectations depends on the satisfaction and engagement of its workforce. *Petlove* has continuously advanced its human



85%¹

Score on *Petlove's* Employee Satisfaction Index



capital strategy over the past several years, with a focus in 2024 on onboarding, learning and development, diversity, equity, and inclusion, and compensation.

Recognizing that an employee's first three months at a company are critical to success, *Petlove* redesigned its onboarding process in 2024, expanding the program to 90 days to offer new hires a more structured, engaging, and supportive introduction to the company's values and operations. This early investment in employee experience was matched by deeper efforts in education and upskilling. *Petlove* invests in education through the Jovem Aprendiz program in partnership with SENAC, providing professional training and career opportunities for young talent across its operations. In 2024, *Petlove* launched a company-wide learning

platform and expanded its education benefits, offering employees access to fully subsidized basic certifications and up to 80% tuition support on advanced degrees in Brazil and abroad. Programs like these have supported improved results on employee engagement surveys, with *Petlove's* Employee Satisfaction Index reaching 85% in 2024.

Diversity is a critical driver of innovation, collaboration, and long-term business performance. Companies that prioritize inclusive practices tend to benefit from stronger employee engagement, broader perspectives in decision-making, and improved customer alignment. In 2024, *Petlove* deepened its diversity efforts by reactivating its employee resource

groups and tracking participation and utilization metrics. It conducted a company-wide effort to update diversity metrics and relaunched *PetMentor*, a mentorship initiative focused on advancing women in leadership. These actions reflect the company's belief that a diverse, equitable workplace generates richer collaboration, better ideas, and stronger outcomes for the business and its people. At year-end, women represented 53% of *Petlove's* overall workforce, an increase of 2% year-over-year, with women making up 43% of leadership roles.²

In parallel, fair compensation is a core pillar of *Petlove's* commitment to building a motivated and high-performing workforce and supporting long-term retention. Taking a data-driven approach, *Petlove* leveraged WageIndicator, a provider of

PETLOVE (CONT.)

localized labor market data and living wage estimates adjusted for regional nuances. Drawing on market-specific benchmarks, *Petlove* identified areas for improvement in compensation practices and adjusted employee pay to ensure that 100% of employees earn a living wage, an important milestone that reinforces *Petlove*'s dedication to employee well-being.³

To support *Petlove*'s internal commitment to a strong employee value proposition, L Catterton

has offered additional guidance on best practices throughout our investment. For example, while *Petlove* has conducted employee engagement surveys for many years, participation dropped to 47% in 2023, limiting visibility into workforce sentiment.⁴ This decrease was identified during L Catterton's annual monitoring process and included in *Petlove*'s ESG Action Plan review with the investment and management teams. In response, *Petlove* took deliberate steps to re-prioritize engagement across the organization, and those efforts are already delivering impact. In 2024, survey participation nearly doubled to 85% and employee Net Promoter Score (eNPS) rose to +45, above industry benchmarks.⁴ Importantly, turnover has remained below or in line with industry averages, and internal teams continue to use feedback to shape well-being and development action plans. *Petlove*'s journey demonstrates the power of prioritizing workforce well-being and the potential for meaningful change when companies invest in their people.



- 1 2024 engagement survey participation response rate and eNPS score reported by *Petlove* as of 10/10/25.
- 2 2024 Workforce breakdown reported by *Petlove* as of 10/10/25.
- 3 2024 Living wage assessment and compensation adjustments reported by *Petlove* as of 10/10/25.
- 4 2023 engagement survey participation response rate reported by *Petlove* as of 4/25/24.

REALTRUCK



STRATEGY

FLAGSHIP BUYOUT

YEAR OF INVESTMENT
2021

RealTruck is a leading provider of branded functional accessories for an assortment of vehicles (primarily trucks, Jeeps, Broncos, and off-road vehicles) across the automotive aftermarket and OEM channels, operating a global network of manufacturing and distribution facilities in the Americas, Europe, and Asia.

As the company has grown in size and complexity, *RealTruck* has also evolved its approach to ESG, driven by a global customer base, dynamic regulatory expectations, and increasing recognition from leadership that a strong sustainability strategy drives efficiency and

financial value for the business and its stakeholders. In 2024, *RealTruck* formally designated 'Real Sustainability' as a strategic initiative, and the company has since pursued sustainability initiatives that support customer alignment, business productivity, and operational cost savings while reducing adverse environmental impacts. Through its sustainability governance and strategy, *RealTruck* is laying the foundation for a more resilient, transparent, and future-ready business.

The company's sustainability approach is underpinned by *RealTruck's* Real Sustainability Charter, a framework introduced in 2024 that reflects the company's commitment to environmental stewardship, social engagement, and strong governance. Developed in collaboration with cross-functional teams, the

Charter reflects *RealTruck's* strategic intent to integrate sustainability into its operational and growth strategies. One of *RealTruck's* first steps was to begin formal quarterly reporting on ESG strategy and progress to *RealTruck's* Board, General Counsel, and senior executives. The company also convened a cross-functional sustainability committee that drives day-to-day implementation through working groups focused on compliance, data integrity, supplier engagement, and communications. In parallel, the company prepared



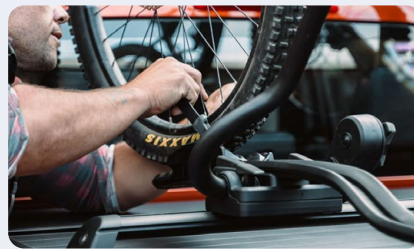
its inaugural, employee-facing sustainability report in 2024, initially covering U.S. operations with plans to expand globally in future editions. This report represents an important step toward disclosure readiness and is expected to support future alignment with customer, investor, and regulatory expectations.

In addition to broader sustainability governance, *RealTruck* has been working to ensure that its documented policies support its sustainability objectives, and in 2024 created a formal environmental policy. As a supplier to leading automotive OEMs, *RealTruck* also considered customer expectations during this process, evaluating the publicly available Codes of Conduct and Environmental Standards to inform the company's own policies and practices. *RealTruck* views

REALTRUCK (CONT.)

these efforts as an opportunity to proactively align to customer and industry standards while operationalizing its goals across business functions.

Evolving state and federal regulation has also underscored the need for greater ESG coordination across the business. *L Catterton* has supported this effort by advising on emissions analysis, data visualization, and climate disclosure readiness, particularly in response to California's SB 253 and SB 261. *RealTruck* partnered with consultants to establish its baseline greenhouse gas inventory and create capabilities



for ongoing energy use tracking and GHG emissions calculations. The team has finished its 2023 and 2024 inventories and is beginning to analyze the data to uncover emissions trends and prioritize reduction opportunities. *L Catterton* has also helped *RealTruck* evaluate disclosure partners and provided guidance on packaging extended producer responsibility (EPR) compliance. The company has now brought on a consultant to support compliance with EPR regulations



across key markets and hired an additional packaging engineer whose responsibilities include the development of sustainable packaging standards.

Operationally, *RealTruck* has advanced its waste management practices through comprehensive audits and targeted process improvements. In 2024, the company conducted site-level waste audits across its manufacturing locations, reviewing contracts, dumpster contents, collection frequencies, and material handling. These audits revealed opportunities to reduce both landfill waste and operating costs, most notably through pallet recycling and supplier buyback programs. Several sites implemented new pallet recovery processes, working with suppliers to repair, reuse, resell, or chip damaged pallets for recycling. As a result, landfill trips were reduced from 225 to fewer than 20, generating

hundreds of thousands of dollars in savings.¹ Additional improvements, such as transitioning from open-top containers to compactors and expanding metal and corrugated recycling, have further embedded sustainability into *RealTruck*'s daily operations while delivering clear financial and environmental value. Looking ahead, the company is exploring opportunities to reduce energy use. With technical support from *L Catterton*, *RealTruck* has begun evaluating on-site solar potential at several key facilities, assessing financial and carbon reduction opportunities.

L Catterton continues to support *RealTruck*'s ESG progress with policy development guidance, evaluating technical resource needs, shaping internal ESG-related communications, and providing guidance on packaging and reporting compliance strategies. While *RealTruck* is still early in its ESG journey, it is taking meaningful steps to institutionalize sustainability through governance, data, and operational change. These efforts reflect the company's commitment to a sustainability strategy, governance structure, and goals that drive both tangible sustainability progress and financial value.



¹ 2024 landfill trip reductions and associated cost savings reported by *RealTruck* as of 10/27/25.

STENDERS

STENDERS

STRATEGY

ASIA

YEAR OF INVESTMENT

2024

STENDERS is a premium body care brand founded in Latvia, known for its craftsmanship in bath and shower products, intentional approach to product design, and commitment to natural-origin ingredients. Informed by its core brand values, STENDERS launched its formal sustainability program



in 2021 to support operational efficiency and meet rising stakeholder expectations.

STENDERS has prioritized actionable goal setting since the origin of its sustainability program, setting eight specific, measurable objectives. To realize these targets, STENDERS has launched several key initiatives across sustainable packaging, waste reduction, and energy reduction. These goals have not only provided direction for its sustainability program but have enabled operational cost savings and value creation opportunities, demonstrating the business impact of an effective sustainability strategy.

As for most skincare and beauty brands, packaging is a significant part of STENDERS' environmental footprint and input costs. Recognizing this, the company has prioritized more sustainable packaging formats that minimize material use while maintaining product quality. In 2024, STENDERS achieved near-100% recyclability across its packaging and significantly reduced plastic and metal use compared to 2023



(reductions of 19% and 30%, respectively). These reductions were achieved by shifting to larger packaging formats, optimizing material thickness, and increasing the use of paper and glass. Further, all paper packaging is now Forest Stewardship Council-certified. Although technical limitations still require thicker packaging to preserve product quality in some cases, STENDERS has implemented thinner plastic applications across many of its products, achieving both cost savings and packaging waste reduction without compromising product performance.

Waste generation is another key area of STENDERS' environmental impact, with over 170 tonnes of non-hazardous waste produced in 2024 across its operations. The company has focused on waste prevention, reuse, and circularity to reduce this footprint while also unlocking efficiency gains, leading to a nearly 40% year-over-year increase in the



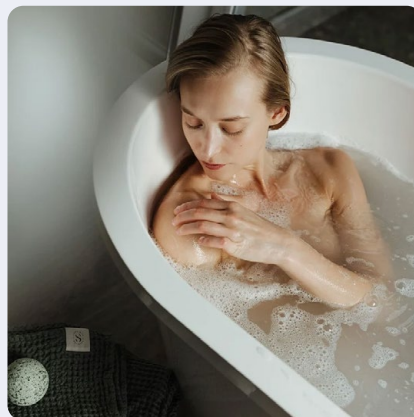
amount of sorted and prepared waste for reuse or recycling. For example, in 2024, STENDERS launched an upcycled soap product line, recycling 2.89 metric tonnes of soap production waste that would have otherwise been discarded. Thus far, this product circularity initiative has resulted in the sale of approximately 10,000 soaps, creating a new product revenue opportunity. In line with its goal to support local communities and environments, STENDERS decided to direct this revenue to charitable efforts, making a €10,000 donation to the Latvian Fund for Nature. Additional waste reduction efforts this year included reusing transport packaging up to eight times, standardizing stickers and labels, and phasing out disposable production items.

STENDERS (CONT.)

Energy use is *STENDERS*' largest source of emissions, with Scope 2 emissions from purchased electricity and heat accounting for 97.7% of its total footprint in 2024.¹ Reducing energy use and related emissions is therefore a critical part of the company's environmental strategy. In 2024, the company introduced several process improvements to drive its long-term energy and emissions reduction trajectory. *STENDERS* improved the energy efficiency of its production facilities by shutting down hot water systems during non-working hours, upgrading lighting systems, and improving machine productivity by 13%. *STENDERS* also earned ISO 50001 certification for energy management in 2024, a major step in establishing a structured approach to tracking and reducing energy use. Looking ahead, *STENDERS* plans to invest in heat

recovery systems, replace outdated steam generators, and restructure production flows to further reduce energy consumption, lower energy costs, and decrease absolute and relative emissions over time.

As the company expands globally, *STENDERS* has launched a refresh of its sustainability governance model and plans to align internal practices across all markets. Guided by a cross-functional sustainability committee, the company will engage its C-suite team and investors to support the development of its global strategy and influence long-term decision-making. This effort also includes a re-evaluation of the company's eight core goals in light of new market dynamics, evolving stakeholder expectations, and emerging regulations. With input from



both internal teams and external partners, *STENDERS* is working to refine its data frameworks and build scalable ESG infrastructure to support more consistent reporting and stronger performance management globally.

L Catterton has supported *STENDERS* with these goals since our investment in 2024 by encouraging the company to formalize its ESG program, expand global oversight structures, and communicate its sustainability progress more proactively. In the next year, *STENDERS* is focused on completing and operationalizing its refreshed global strategy, an important step in scaling its sustainability ambitions and continuing to deliver high-quality, environmentally responsible products in every market it serves.

STENDERS Sustainability Goals²

- All product packaging is refillable, reusable, made of recycled material, recyclable, or compostable
- Reduce waste by 50% throughout the product life cycle
- Reduce energy consumption by 25% per unit of product produced
- Continue to create product formulations with >90% ingredients of natural origin, combining nature and science
- Continue to create innovative, high-quality, and sustainable product formats
- Promote employee well-being and develop a wellness program for employees
- Work with increasingly sustainability-minded and responsible partners
- Develop charitable projects and support local communities where *STENDERS*' products are sold

Scope 1 & 2 Emissions (tCO₂e)¹



¹ Emissions data reported by *STENDERS*, parameter of measurement is Scope 1 and 2; *STENDERS* does not track Scope 3 emissions at this time.

² 2024 data and progress across sustainability goals reported by *STENDERS* as of 10/13/25.

WITHMAL

STRATEGY
ASIAYEAR OF INVESTMENT
2023

Withmal is redefining the employment model in Japan's veterinary sector by building a company where work-life balance, gender equity, and long-term career sustainability are core to its operational model. In an industry facing ongoing labor shortages and widespread challenges to retaining talent, Withmal has taken a different approach, creating working environments where veterinary professionals can sustain their careers through personal and family milestones.

This commitment has been critical to *Withmal's* growth. As the company expanded from 25 to 40 clinics over two years, it has maintained a



majority-female veterinary workforce – an uncommon achievement in the industry. In Japan, although the majority of veterinary graduates are women, fewer than 65% of licensed female veterinarians remain employed by their 30s, compared to 85% of men.¹ This gap has been attributed to long and inflexible working hours, minimal support for parenting or caregiving responsibilities, and lingering perceptions around extended leave, reflecting broader trends in Japan of declining female labor force participation as women start families.

Withmal aims to reverse these dynamics by implementing a range of policies that allow veterinary doctors and nurses to build careers that adapt to their lives. Flexible work arrangements, including



shift-based scheduling, part-time roles, and shortened hours for caregivers, enable career continuity while balancing childcare or other caregiving responsibilities. *Withmal* also utilizes Japan's "variable working hour system" to design schedules that balance operational needs and employee well-being, while complying with national labor laws. Compared to privately owned veterinary clinics, where veterinarians often work until 9 or 10 p.m. to complete administrative tasks, *Withmal's* clinicians typically finish their shifts around 6 p.m., with head office staff absorbing many non-clinical responsibilities. This not only improves quality of life but also makes clinical careers far more sustainable for employees in the long term. This approach to staffing helps ensure that flexibility is not just theoretical but embedded in day-to-day clinic operations.

Support for leave is another defining feature of *Withmal's* workplace

15+

New clinics in over 2 years²

culture. Historically, many Japanese companies have faced challenges in offering or supporting extended paid leave for new parents. While policy updates introduced in April 2022 now allow both mothers and fathers to take up to a year off with income support from the government, cultural stigma and operational inflexibility still limit uptake. *Withmal* closes this gap by not only complying with legal requirements, but also by building clinic systems and staffing models that actively support parental leave in practice. Employees are encouraged to take the time they need, without fear of burdening their teams or damaging their careers. This includes both maternity and paternity leave, as well as nursing care leave and emergency family leave. By normalizing time off and

embedding structural support, *Withmal* ensures that family responsibilities are compatible with long-term clinical careers.

As of May 2025, over 50% of veterinarians at *Withmal* were women, including 61% of full-time clinical staff.³ Many of the company's hospital directors are women who have taken on leadership roles since returning from parental leave, and the visibility of female leaders with sustainable veterinary careers is helping reshape what a long-term clinical career can look like for more junior team members.

Withmal's partnership with *L Catterton* has been key in scaling these and other employee



engagement efforts. Drawing on our experience across the global veterinary and multi-site healthcare sectors, *L Catterton* worked with *Withmal's* management team to introduce performance-based incentives, structure an employee referral program, and launch a company-wide AGM to strengthen shared culture among clinics. These touchpoints have been especially meaningful in a profession where day-to-day work may often be isolated.



As *Withmal* continues to grow, it remains focused on maintaining the workplace culture that sets it apart as an employer. The company aims to formalize support systems for career development, particularly for women, and deepen its measurement of employee engagement, satisfaction, and retention. In doing so, *Withmal* is not only building a more inclusive workplace, but also setting a new standard for inclusive employment in Japan's veterinary field.

“

At the animal hospital where I previously worked, long working hours were common and I often returned home late. At *Withmal*, head office managers handle tasks such as paperwork on our behalf, allowing us to focus on patient care. The group as a whole has a culture that values work-life balance. As someone raising a child while working, I feel confident that I can continue my career long-term at *Withmal*”

— Female clinic director
Withmal veterinary hospital in Tokyo

Female Veterinarian Representation⁴

Japan Industry Benchmarks⁵

2020 **33.3%**

% Female Vets
at *Withmal*

SEPTEMBER 2023 **53%**

MAY 2025 **56%**

88%³

Increase in total full-time veterinarians, from 35 to 66 from September 2023 to May 2025

- 1 Industry data on female veterinary graduates and licensed female veterinary professionals provided by *Withmal* as of 8/1/25; source details and date range not specified.
- 2 September 2023 and May 2025 clinic snapshot provided by *Withmal* as of 9/30/23 and 5/30/25.
- 3 May 2025 workforce representation provided by *Withmal* as of 5/30/25.
- 4 September 2023 workforce representation provided by *Withmal* as of 9/30/23.
- 5 2020 benchmark on women's representation in veterinary roles in Japan, published by the Gender Equality Bureau, Cabinet Office of Japan.





2024

DESPEGAR



STRATEGY

LATIN AMERICA

YEAR OF INVESTMENT

2020

With over 4,100 employees, *Despegar* is Latin America's largest online travel technology business. While it is a leading employer in the region's tech community, *Despegar* has faced an industry-wide talent shortage due to high demand for skilled labor and a limited supply of qualified professionals. Recognizing the need to cultivate its own talent pipeline, *Despegar* developed two flagship technology training programs aimed at students and young professionals: Jóvenes de Alto Vuelo, focused on fullstack development, and UX Boarding Pass, focused on user experience (UX) design.



These initiatives have supported the growth of *Despegar*'s workforce while growing the broader tech talent pool in Latin America, equipping participants with the necessary skills to meet the company's evolving needs and creating a steady flow of qualified candidates.

Since 2013, *Despegar* has hosted the Jóvenes de Alto Vuelo (JAV) program, a 16-week intensive fullstack development training program that prepares young professionals for a career in the technology industry. While there is a focus on technical skills, *Despegar* updates the program with each iteration to support well-rounded professional development. In 2023, *Despegar* introduced a soft skills curriculum covering topics such as communication, time management, and meeting facilitation, all delivered by *Despegar*'s Human Resources experts. This year, the program

received over 17,000 applications, with 34 candidates ultimately selected to join *Despegar*'s Technology team. Since its inception, more than 300 individuals have entered the workforce through this program, directly addressing the company's internal labor needs while nurturing future IT professionals.

Building off the success of JAV, *Despegar* launched the UX Boarding Pass program as another career pathway for entry-level talent. This intensive, six-week training program is designed for individuals with backgrounds in design or writing and includes 11 online classes focused on content, design, and research. Participants gain practical experience that prepares them for advanced UX roles by equipping them with the skills needed to achieve strong UX design principles. Creating solutions that are responsive to the perceptions, habits,



“

While I was in my first year of Systems Engineering, I joined *Despegar* through the JAV program, where I received excellent training on various technical and business topics delivered by employees from different areas of the company... Over the years, I progressed through the entire Developer career path... Today, after 9 years at *Despegar*, I have advanced to the position of Sr. Engineering Manager of the Flight Shopping teams.”

– Tomas Luczasty,
Sr. Engineering Manager at *Despegar*

and preferences of travelers in Latin America allows *Despegar* to deliver differentiated and personalized user experiences and is central to the company's value proposition. In 2023, the program attracted 4,900 applicants, with 16 individuals

DESPEGAR (CONT.)

ultimately selected. After completing the program, six participants were hired by *Despegar* as designers and content analysts.

What sets *Despegar*'s training programs apart is a focus on hands-on learning. Both programs are organized around a 70-20-10 development model: 70% of learning happens through on-the-job experience, 20% through learning from others, and 10% through formal academic instruction. This structure maximizes learning opportunities and provides participants with tangible experiences that can be directly put into action.

Despegar is also committed to supporting diversity in the tech industry through recruitment and outreach, focusing on growth potential rather than setting specific prerequisites. Recognizing

that women are typically under-represented in technology roles in Latin America (regional estimates vary from 10–30%), *Despegar* aims to reach female candidates who can benefit from the specialized training provided as an entry point to the industry – 27% of students in JAV's 2023 cohort were female. Additionally, the programs are designed to be accessible to a broad range of candidates and have no degree requirements, allowing individuals without traditional educational backgrounds to participate and adding another layer of diversity to the talent pool.

In 2023, *Despegar* received nearly 22,000 applications across JAV and UX Boarding Pass – a 340% increase compared to 2022. This surge in interest highlights the strength of *Despegar*'s employee value proposition, as the programs are seen as highly desirable pathways to careers within the company. JAV and UX Boarding Pass foster future



The Jóvenes de Alto Vuelo (JAV 2015) program was my first job where, at age 21, it gave me the opportunity to start in the professional world of technology. They trained me with all the necessary knowledge, from technical aspects to culture and business. Within the team, I learned more every day, both from the challenging work and from my teammates. Time passed and I grew, day by day and year by year, as my IT career took off until I was able to choose to take the next step to manager. ”

– Martín Campanella,
Engineering Manager at *Despegar*

Jóvenes de Alto Vuelo Program

- 34 students selected from more than 17,000 applicants
- 250 hours of training per participant
- 130 developers trained participants for 16 weeks with 160 employees assisting with Business & Tech talks

UX Boarding Pass

- 16 students were selected from more than 4,900 applicants
- 23 UXers from *Despegar* volunteered to train new talent for 6 weeks.
- Program included 44 hours of training and 8 hours of work on final projects

Overall

- 21,900+ total applicants across both programs
- 39% of developers currently at *Despegar* were recruited and trained through the Jóvenes de Alto Vuelo program



leaders and key contributors, with many participants building long-term careers within *Despegar*. Today, 39% of *Despegar*'s current developers started their careers through JAV, and the impact on the company's internal workforce is undeniable. Many former participants have advanced to Manager and Senior Manager roles and now return to

the program as trainers, bringing their insights and experience to new cohorts. *Despegar*'s commitment to technology education and training has resulted in a positive professional development cycle for entry-level talent in the Latin American tech community.

AUGUST 2024

URBAN EGG



STRATEGY
GROWTH

YEAR OF INVESTMENT
2023

*Urban Egg, a contemporary breakfast, brunch, and lunch restaurant with locations in Colorado and Kansas, has championed local sourcing since its inception. Incorporating local suppliers offers fresh, high-quality ingredients while supporting *Urban Egg's* mission and values, which are focused on quality, people, and community. By sourcing locally, *Urban Egg* strengthens community ties, supports local businesses, and reduces its environmental footprint.*

From the beginning, Randy Price, *Urban Egg's* founder, envisioned the company as an active participant in the community. Local supplier



partnerships, typically with producers within 100 miles of each *Urban Egg* location, now account for nearly 20% of purchased ingredients. *Urban Egg* actively seeks high-quality local partners in every new market it enters. To ensure these suppliers meet *Urban Egg's* supplier standards, the company spends extensive time vetting all new partners. Beyond supplying high-quality products, all

partners must align with *Urban Egg's* values, operating as employers of choice and responsible community members. *Urban Egg* visits each local supplier to tour facilities, talk to employees, and ensure alignment with safety and quality standards.

As a result, *Urban Egg* has an extensive list of successful local supplier partnerships. For instance,

in Denver, *Urban Egg* collaborates with local favorites like Debbie's (a gluten-free bakery), Mile High Spirits (a local distillery), and Polidori Sausage (a family-owned business that has been recognized by the city of Denver as a Certified Green Business through its efforts to improve resource efficiency and compost all food scraps created in production).

URBAN EGG (CONT.)

This commitment to the community has clearly resonated with *Urban Egg* customers. When products from a vendor based in Colorado Springs were temporarily unavailable, *Urban Egg* immediately received a flurry of concerned messages from diners, demonstrating customers' awareness and appreciation for the company's commitment to supporting local businesses. *Urban Egg's* commitment to local sourcing and community involvement is also key to the company's employee value proposition and overall culture. Knowing their work supports other local businesses fosters a sense of pride among employees and enhances their satisfaction and engagement.

Urban Egg's relationships with local suppliers provide benefits for the restaurant as well. For the past 10 years, *Urban Egg* has sourced eggs – a key ingredient – locally in Colorado, maintaining a consistent partnership with one supplier. Since 2022, egg producers have faced widespread supply challenges, leading to industry-wide price increases. However, in recognition of their decade-long partnership, the supplier held prices steady



for as long as possible. And while the supplier couldn't hold egg pricing indefinitely, this example highlights the mutual support inherent in *Urban Egg's* sourcing strategy, demonstrating how such relationships can bolster resiliency during challenging times. *Urban Egg's* commitment to the community has been evident to L Catterton since the beginning of our partnership, and we are pleased to see these examples continue to showcase the value of *Urban Egg's* procurement strategy.



A. P. C.

A.P.C.

STRATEGY
EUROPEYEAR OF INVESTMENT
2023

Atelier de Production et de Création (“A.P.C.”) is a French fashion brand known for its raw denim, leather goods, and other timeless clothing pieces and accessories. While A.P.C. has historically integrated sustainability into its practices through waste reduction, product recycling, and reuse initiatives, it has formalized its sustainability programming over the past year with the support of L Catterton, who provided A.P.C. with insights into best practices, assisted in the development of ESG governance structures, and participated in board-level ESG discussions.

“

Sustainability is part of our DNA and part of our culture.”

– François-Cyrille de Rendinger,
President of A.P.C.

Climate Journey

A.P.C. took a major step in its climate journey by setting an emissions reduction target approved by the Science Based Targets initiative (SBTi). By setting an SBTi goal, A.P.C. is taking a scientific approach to emissions reductions and makes clear that sustainability and decarbonization are priorities for the company.

SBTi-approved targets are considered the leading standard for corporate decarbonization goals and, so far, have primarily been established by the largest fashion brands. While 500+ companies in A.P.C.’s sector have committed to setting SBTi goals, A.P.C. stands out among peers as only roughly half of these companies maintain approved targets, and less than a quarter are small to medium-sized enterprises, similar to A.P.C.

Outside of its operational emissions, raw materials account for over 70%



of A.P.C.’s total carbon footprint, making Scope 3 supply chain emissions an important focus to achieve the company’s climate strategy and SBTi commitments going forward.

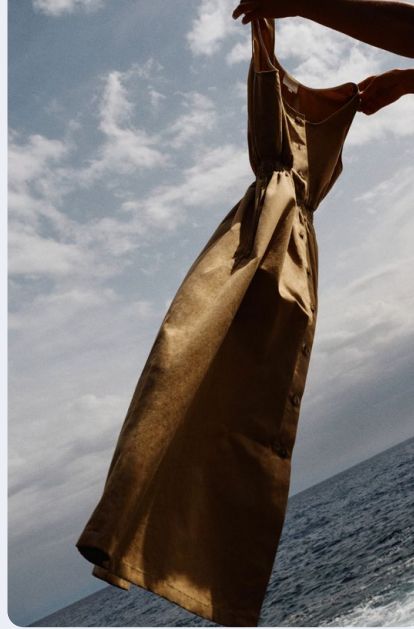
Sourcing lower carbon, recycled, and more eco-friendly fibers without compromising on quality or alienating price-conscious consumers can be a challenging prospect for fashion companies, but A.P.C. is determined to create innovative solutions through its products. A.P.C. has developed a system to evaluate the sustainability of different textiles and raw materials, estimating carbon emissions for different fibers as compared to cotton and generating ratings based on a material’s origins, lifespan, waste by-products, and human and animal welfare risks. Using this tool, A.P.C. is gradually shifting to lower carbon

and more sustainable materials, with the goal of having eco-responsible products – those that contain a specific percentage of fibers with strong eco-ratings using A.P.C.’s proprietary ranking – represent 70% of its product line by 2027.

To further drive Scope 3 emissions progress, A.P.C. is actively working with its climate consultant, Carbonfact, to quantify the emissions reduction impact of switching to lower carbon materials and further support its decarbonization goals with tangible data. In addition to selecting more sustainable materials, A.P.C. employs a supply chain traceability tool to gain better visibility into supplier emissions and aims to engage with key suppliers to support their transition to renewable energy sources.

Emissions Reduction Process

Given fluctuations in data availability across the value chain, comparing year-over-year emissions can prove difficult. However, A.P.C.'s partnerships and tools aim to provide the granular data needed to track and measure progress as accurately as possible. In 2023, A.P.C.'s emissions increased slightly, likely due to its operational and sales growth. However, through Carbonfact's analysis, A.P.C. found that its emissions intensity (measured as emissions per product) decreased by almost 6%, a positive sign for future emissions reductions. Moving forward, A.P.C. is well equipped to track the efficacy of its abatement strategies, identify new areas for emissions reduction, and advance further towards its 2030 SBTi goals.



KPI Tracking 2022–2023

KPI	2022	2023
Scope 1 emissions (tCO ₂ e)	41	25
Scope 2 emissions (tCO ₂ e)	313	226
Scope 3 emissions (tCO ₂ e)	32,746	23,104
Total emissions (tCO ₂ e)	33,100	23,355
Emissions intensity per product (tCO ₂ e)	0.025	0.023
Total energy consumption (kWh)	–	1,037,980
Total renewable energy consumption (kWh)	–	564,935



6%

decrease in emissions intensity per product YoY (2022–2023)

42%

decrease in absolute Scope 1 and 2 emissions

52%

decrease in intensity-based Scope 3 emissions



BOLL & BRANCH

BOLL & BRANCH

STRATEGY

FLAGSHIP BUYOUT

YEAR OF INVESTMENT
2019

Founded in 2014, *Boll & Branch* specializes in luxury bedding and home goods with a strong emphasis on sustainability, traceability, and ethical production practices. The company's founders, Scott and Missy Tannen, knew from the beginning that they wanted to differentiate



their bedding products at each step of the production processing chains and, in the process, improve the industry for all involved stakeholders.

Boll & Branch has been dedicated to supply chain traceability since its very first purchase order, ensuring that every step of the production process is aligned with its commitment to sourcing organic materials created with environmentally sound methods and fair labor practices. *Boll & Branch* directly sources raw



Since our very first purchase order, we've had traceability all the way to the farm level, that was important to us when we founded the company. ”

Scott Tannen,
Founder & CEO of *Boll & Branch*

materials from farmers, bypassing intermediaries to foster direct relationships and ensure fair compensation. Additionally, through robust onsite ethical and social audits, *Boll & Branch* can monitor farming and ginning practices closely, guaranteeing adherence to organic and sustainable crop cultivation methods. These close partnerships with suppliers are extended throughout the production chain and provide *Boll & Branch* with comprehensive oversight of its textile operations, ensuring its products are 100% traceable from crop growth to final distribution.

Over the past ten years, *Boll & Branch* has collected a plethora of data from its suppliers. This vault of data inspired *Boll & Branch* to create Origin Track in 2024, a digital tool for consumers to trace the origins of their products in a fun and immersive way. *Boll & Branch* believes that sparking consumer curiosity in responsible



10,000+

consumers have utilized
Origin Track

sourcing is a key part of its role as a leader of sustainable practices in the industry. Today, almost 75% of the company's products include a unique lot number that takes users to a landing page outlining the production journey for that product, including farm locations, industry certifications such as Fair Trade USA, SA8000, or WRAP, and spotlights on the individuals who played a role in the manufacturing process. To pique customer interest and help customers feel connected to the makers of their products, *Boll & Branch* designed the tool with an

BOLL & BRANCH (CONT.)

emphasis on storytelling, including photos from the company's supplier visits and highlighting the almost 22,500 individuals who work on *Boll & Branch* products.

Boll & Branch views Origin Track as an interactive way to transform customer engagement and foster dialogue about supply chain practices in the textiles industry. From the start, the company has committed to transparent and traceable products, and this new tool allows customers to understand the full story behind what they are purchasing. While still early into its launch, *Boll & Branch* has noted positive consumer reception to Origin Track, with over 10,000 consumers exploring their



We wanted to tell stories about our partners overseas. The data has been there forever all we have done is open up the interface to consumers. ”

75%

of *Boll & Branch* products are available on Origin Track



products on the website. *Boll & Branch* has no plans to stop sharing its supply chain practices with consumers; it hopes to expand into video-based content to increase visibility further and introduce the farmers, weavers, and workers that all play a role in product creation.

L Catterton takes pride in investing in mission-driven businesses like *Boll & Branch*, and we have supported the company's sustainability values and practices since our investment in 2019. *L Catterton* has also connected *Boll & Branch's* leaders to other companies in our portfolio to share best practices and lessons learned on supply chain traceability.

In addition to launching Origin Track, *Boll & Branch* published an Impact Report in 2024, highlighting 10 years of sustainability at the company.



The report further demonstrates *Boll & Branch's* commitment to transparent, evidence-backed sustainability communications and building trust with key stakeholders such as consumers, employees, and investors. As public interest in sustainability continues to deepen, *Boll & Branch* is well-positioned to educate consumers on the importance of responsible sourcing, driving further change across the industry as consumer purchasing behaviors continue to encourage brands to pursue more sustainable behaviors.



KODIAK



STRATEGY FLAGSHIP BUYOUT

YEAR OF INVESTMENT
2021

Founded in 1982, *Kodiak* is a Utah-based, high-growth food business with a whole-grain breakfast and snacking portfolio that is powered by protein. The company has maintained an employee equity program since 2018, and it was important to both *L Catterton* and the *Kodiak* team that a similar program was offered to employees following our investment in 2021. The



75%

Employee
Engagement Score,
3 percentage points
above the US Food
& Beverage Benchmark

“

We are lucky to have really good partners at *L Catterton* who do a lot of the work to give employees this benefit. ”

— Georgia Man,
General Counsel at *Kodiak*

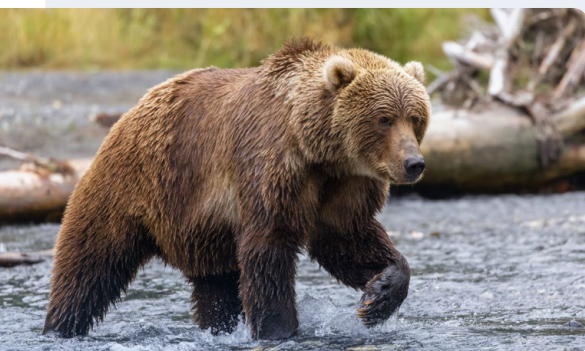
Kodiak team shares some of their successes and learnings from operating the employee ownership program over the past three years.

Driven by the founders' belief that all employees should have a stake in the success of the company, *Kodiak* first adopted a broad-based employee ownership program in 2018, and employee owners received a payout from their



participation in that program when *L Catterton* acquired *Kodiak* in 2021. After the acquisition, *Kodiak* and *L Catterton* partnered to ensure that the culture of ownership and shared prosperity fostered by the original program would continue. Under *Kodiak*'s current employee ownership program, legacy employees and all new employees are eligible for an equity grant – legacy employees since 2021 and

new employees when they join the company. All grants are subject to the approval of *Kodiak*'s Board of Directors and contain both time- and performance-based vesting terms. Each quarter, the *L Catterton* and *Kodiak* teams work together to complete the administrative work required to issue new grants. The structure of *Kodiak*'s equity plan offers important advantages as compared to some ownership



KODIAK (CONT.)

models: the grants are structured so that payouts are intended to be taxed at capital gains rates, vested employees are eligible to participate in interim distributions, and employees who may depart prior to an exit are eligible to have their units repurchased by the company. Since L Catterton's acquisition in 2021, the company has grown from just under 100 employees to around 150 employees, all of whom have been offered this benefit.

While each employee has always received information on the equity plan at the time of their grant, in 2023 the *Kodiak* management team undertook additional efforts to educate employees on what it means to have an ownership mentality as they work to grow and operate the business day-to-day. For many employees, participation in *Kodiak*'s employee equity program is the first time they have owned equity in a business and the Board and management team wanted to ensure that the employee ownership program was motivating *Kodiak* employees to feel, think, and act like owners of *Kodiak*.

Kodiak took a number of steps to help drive an ownership mentality

among employees. First, the company refined how annual goals and metrics were set, ensuring all employees had individual goals that aligned with specific functional and company performance goals. This way, each employee could clearly tie their individual performance to the company's overall performance goals. Next, the company created and shared annual individualized total compensation memos for every employee, detailing the employee's potential projected payout across different exit scenarios and showing how a payout may increase with improved business performance. *Kodiak* also revamped its monthly company-wide meeting to provide more details and transparency on business

performance on a consistent basis, as well as provide clear examples and education around how individual employees and functions drive value for the business and ultimately for the employee-owners of the company.

Implementing these changes has helped *Kodiak* employees better understand how their efforts translate into company value and the role their equity plan plays in their total compensation package.



15.2%

Total Turnover,
>15 percentage points
below the US Wholesale
Trade Benchmark



Employees also regularly demonstrate an owner's mentality by showing their understanding and belief in the direction of *Kodiak*, feeling empowered to make a difference, and

adding value while living the *Kodiak* Code (the company's cultural values). Furthermore, *Kodiak* has had both high engagement scores and consistently low voluntary turnover rates, significantly outperforming industry averages. Through its employee ownership program, *Kodiak* lives out its people-first culture while capitalizing on benefits to the business through better employee engagement, retention, and productivity, supported by this substantial compensation benefit for employees.

MIAMI DESIGN DISTRICT

L CATTERTON
REAL ESTATE

LVMH

Dacra

MIAMI DESIGN DISTRICT

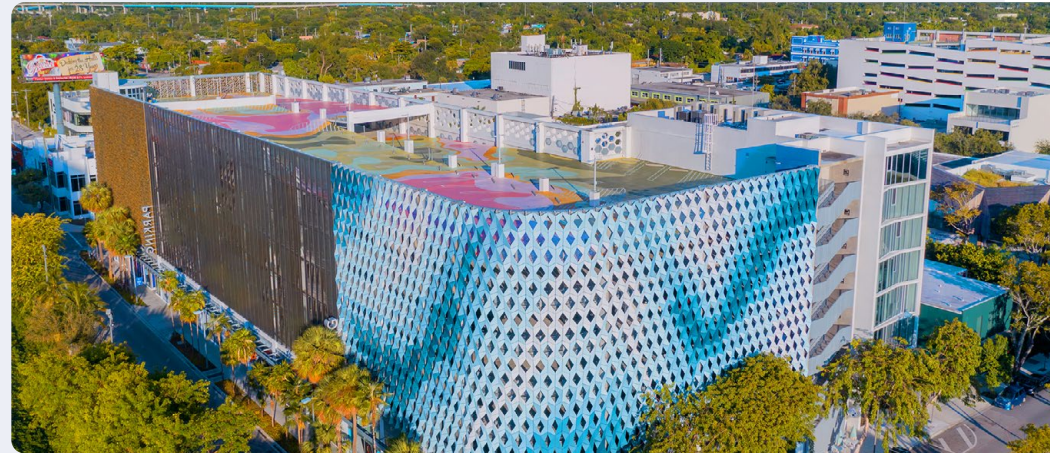
STRATEGY
REAL ESTATE

YEAR OF INVESTMENT
2010

In 2010, L Catterton Real Estate (“LCRE”) and project partner Dacra began developing the *Miami Design District* (“MDD”), a 30-acre creative neighborhood destination dedicated to innovative fashion, design, art, architecture, and dining. Now in its third phase of development, the *MDD* has integrated sustainability considerations throughout all phases of its investment lifecycle.



From the initial investment, the project targeted LEED Gold certifications for both the neighborhood development and each building within the asset. This commitment to high standards of sustainability – recognized as the global benchmark for sustainable building practices – was incorporated into every underwriting process, highlighting a continued dedication to sustainability. Indeed, the *MDD* and Dacra team viewed targeting more sophisticated green building certifications as an investment to stay ahead of the curve on sustainability, ultimately enabling the property to pursue more advanced sustainability



initiatives once these certifications were achieved.

In 2012, the *MDD*'s plan was certified as the first Gold-level LEED Neighborhood Development Plan project in Miami-Dade County. Upon its completion in 2021, the project became the first neighborhood in

the world to achieve LEED Gold certification for Neighborhood Development – and the third in the world certified under LEED V4 – a prestigious distinction for exemplary adherence to sustainable design and construction. In addition, each building in the *MDD* has achieved or is targeting LEED Gold.

MIAMI DESIGN DISTRICT (CONT.)

As the *MDD* pursued these certifications, it instituted environmentally conscious elements such as green roofs, shade coverage of sidewalks, and LED street lighting. Further, strong environmental data collection capabilities have enabled the calculation of project highlights, such as ~90% of waste was diverted from landfills during construction.

As part of its holistic approach to sustainability, throughout its project lifecycle, the *MDD* implemented robust community outreach programs to supplement its environmental initiatives, among which included providing space for community groups and artists to showcase their work and host events. To foster a positive and cooperative partnership, the *MDD* also engaged in outreach efforts to the local community, such as replanting trees in surrounding parks. The *MDD's* efforts in sponsoring community events and donating space, time, and resources have created a mutually beneficial relationship, serving as a model for broader community engagement.



Central to the *MDD* is its position as a cultural epicenter, showcasing diverse art and architecture, evidenced by engaging over 20 architects from across the globe

to contribute to its design. *LCRE* also consistently collaborates with both local and international artists to create vibrant, inspiring spaces that attract visitors and foster a dynamic community atmosphere. Beyond artistic design and building operations, the *MDD* has forged strong partnerships with local retailers and large tenants who recognize the value of sustainability for *MDD's* reputation, their own brand, their employees, and customers. Over the years, these partnerships have led to the promotion and support of sustainable initiatives, such as



“

By being ahead of the sustainability curve, the investment value has grown. Since we can point to some sustainability and ESG initiatives and say, “we were doing that in 2010,” we’ve been able to move onto more sophisticated programs, like the *LVMH* agreement and others. As leaders in the space, we are in the “what else can we do” phase. ”

– David Gester,
Partner & Chief Development Officer,
L Catterton Real Estate

buy-back programs, upcycling efforts, and other retailer-led sustainability programs.

Given the *MDD*'s proven commitment to sustainability and its ongoing partnership with *LCRE*, *LVMH* identified the neighborhood as an opportunity to introduce a sustainability partnership to progress its climate commitments. In 2023, *LCRE*, Dacra, and *LVMH* worked to identify reasonable and measurable initiatives to include in a partnership to drive sustainability performance and in December 2023, the *MDD* and *LVMH* officially announced the agreement. Within the first six months of the agreement, *LVMH*, *LCRE*, and Dacra have already made progress toward these commitments. Most notably, the *MDD* partnered with Florida Power & Light Company to develop a roadmap to 100% renewable energy. To track ongoing progress, *LVMH* created an eco-design checklist that maps each commitment to a set of KPIs and identifies a project point person to drive accountability and enable future reporting. The agreement also includes accountability measures such as penalties for stores that don't meet their energy



“

Sustainability has always been part of our model, and we've worked closely with *LCRE* as one entity to collaborate on this. *LVMH* saw our sustainability objectives combined with the success of the neighborhood and wanted to use this as the first partnership of sustainability in the US. Now we're working with other brands to use the *LVMH* format as a model. ”

– Alex Schapiro,
Chief Operating Officer, Dacra

targets, requiring them to donate to a local charity. The *MDD*'s early success has enabled the *MDD* and *LVMH* to expand their initial goals and develop additional sustainability targets, with other stores in the District now expressing interest in participating.

This groundbreaking agreement represents the culmination of *LCRE*'s ESG efforts in the *MDD*, reflecting how a commitment to sustainability throughout the project lifecycle built the necessary infrastructure to pursue and achieve such a sophisticated agreement. Underscoring the successful sustainability initiatives of the *MDD* and *LCRE*'s expertise in sustainable property design and management across the globe, this agreement also sets a compelling example for similar partnerships worldwide. Indeed, *LVMH* is currently using this sustainability agreement as a model for similar partnerships in the UAE and Japan. In addition to sustainable upgrades for existing structures, the initiatives from the agreement are setting an enhanced sustainability baseline for new builds within the *MDD*, investing in elements such as solar power to ensure both new and pre-existing builds continue to contribute to the property's sustainability goals.

Key components of the sustainability agreement

For existing stores:

- ✎ Utilize **100%** renewable energy by **2025**
- ✎ Keep building water usage at least **20%** below baseline calculation
- ✎ Create a centralized energy monitoring system
- ✎ Implement a “green cleaning program” to minimize the use of harmful chemicals and air pollutants
- ✎ Maintain roofs that are either **100%** vegetated or Solar Reflective Index above **80**

For new builds:

- ✎ Source majority of materials locally in Florida
- ✎ Reuse or recycle at least **75%** of construction and demolition debris
- ✎ Use low-emitting (low VOC) paints, glues and varnishes
- ✎ Use rainwater for new tenant build-out gardens, toilets, and maintenance

While *LCRE* exited the *MDD* in April 2024 through a sale to *LVMH*, the established relationship provided the *MDD* with detailed sustainability insights that will inform future initiatives. In a management role, *LCRE* remains dedicated to advancing sustainability at the *MDD*, collaborating closely with *LVMH* to implement ongoing efforts that leverage *LCRE*'s continuity of programming and deep knowledge of the project and area.

A photograph of a person's legs from the knees down, wearing light-colored sandals with three straps each. The person is standing on a path made of small, light-colored stones. To the left of the path are large, dark, jagged rocks. To the right is a dense patch of green foliage with small, light blue flowers. The entire image is overlaid with a semi-transparent dark blue filter. The year '2023' is centered in the middle of the image, underlined.

2023



STRATEGY
ASIA

YEAR OF INVESTMENT
2015

With the earliest brand founded in 1950, AWWG is a global fashion group comprised of three original brands, Pepe Jeans London, Hackett, and Façonnable, operating in Europe, Latin America, and

India. Since combining the brands under one moniker in 2020, AWWG has proactively built ESG into its culture and business strategy, with a strong focus on the social aspect of its supply chain. AWWG chose to prioritize the social aspects of supply chain management as the company believes that ensuring safe working conditions and labor rights is a foundational step to empower individuals in the supply chain to take on subsequent ESG initiatives. This “people first” outlook, compounded with consumer interest in sourcing transparency, motivated AWWG to pursue human capital matters within its supply chain as a top priority.

The fashion industry is highly susceptible to social and labor concerns due to the limited visibility that most brands have into their supply chain, where manufacturing facilities, textile producers, and farmers may be subject to unsafe working conditions, physical or verbal abuse, or involved in child/

forced labor. To combat these issues, AWWG fosters safe and healthy workplaces within its upstream supply chain and has made fair labor one of the core tenets of its ESG strategy. The company emphasizes this focus within its Ethical and Transparent Sourcing Programme, which includes criteria on acceptable social performance and examples of critical issues related to labor, working conditions, and wages. To enforce these requirements, the company expects insight into each suppliers’ staff, working environments, and health & safety



protocols through an AWWG-developed supplier self-assessment as well as audits conducted by reputable third parties (e.g., BSCI, SMETA and WRAP), which help to maintain standardization and objectivity across evaluations.

“

Many companies start with environment, but we decided to start with social concerns and our supply chain because you need minimum safety standards and minimum wages for employees to have the time and enthusiasm to work on other ESG issues. ”

— Laura Hofmann
Director of Sustainability

AWWG (CONT.)

Based on the results of the third-party audit and self-assessment, each supplier receives a score between A and D. Suppliers that receive multiple Cs or a D are required to improve their score through Corrective Action Plans (CAP). AWWG offers support and resources as suppliers complete the CAP; however, in instances where a supplier refuses to complete the CAP, the relationship will be terminated. The robust system and clear guidelines have been well-received by AWWG's suppliers, with the company noting positive feedback and several programmatic improvements. Additionally, suppliers are required to comply with AWWG's Supplier Code of Conduct, which outlines requirements concerning transparency, environmental protection, and animal welfare, in addition to human rights concerns.

Along with its internal initiatives, AWWG has expanded its supply chain management program to include guidance and support from internationally recognized organizations. In January 2022, AWWG joined Accord, a legally-binding agreement between global brands and factories in Bangladesh formed in response to the 2013 Rana



Plaza building collapse. As part of this agreement, AWWG conducts additional Accord-regulated audits on its facilities in Bangladesh to promote safe and healthy textile and garment working conditions. Going forward, AWWG plans to continue to partner with its suppliers to further expand transparency on social, and eventually environmental practices within its supply chain.



214

Social audits conducted, 2022–2023

93

Facilities undergoing improvements through supplier Corrective Action Plans (CAP), 2022–2023

347

Suppliers guided by AWWG's Ethical and Transparent Sourcing Programme



BIRKENSTOCK

BIRKENSTOCK®

STRATEGY

BUYOUT / EUROPE / ASIA

YEAR OF INVESTMENT

2021

Founded in 1774, *Birkenstock* is a global shoe manufacturer brand known for producing sandals and other shoes. Based in Germany, *Birkenstock's* vertically integrated manufacturing base allows for supply chain transparency, localized production capabilities, and the production of high-quality products.



Sourcing

In evaluating the initial opportunity, L Catterton appreciated *Birkenstock's* unwavering corporate ethos, rooted in its centuries-long tradition of craftsmanship, commitment to using only quality materials, transparent and responsible operations made in Germany, and materials sourced in Europe.

L Catterton identified that these elements translate to a strong brand identity and a customer base that understands what the company stands for – themes that made *Birkenstock* a compelling investment opportunity.

Due Diligence

L Catterton worked with Malk Partners to conduct confirmatory ESG due diligence. ESG due diligence did not identify any material risks and found that *Birkenstock* is well positioned to capitalize on growing sustainability and ESG trends post-investment.

Investment Committee

The Investment Committee found that *Birkenstock's* unique approach to manufacturing and brand identity allow the company to command strong profitability while delivering high-quality products.

“

At the most fundamental level, we love what the *Birkenstock* brand stands for – a commitment to function, quality, and tradition – that has been molded over hundreds of years. This deep sense of responsibility manifests across all facets of the company and the brand, from the high degree of control it maintains over its entire supply chain, to its focus on creating products of only the highest quality and durability. It's rare to see that level of integrity, particularly for a brand with as broad and democratic a reach as *Birkenstock's*. ”

– Lucy Chen
Principal, L Catterton



Portfolio Stewardship



Plan Implementation



Monitoring and Reporting



Ongoing Support and Advisory



Looking Forward

L Catterton aligned behind management as they executed on its value creation plan, predicated on long-term controlled growth that enables *Birkenstock* to remain authentic to its brand and corporate ethos (which includes a commitment to maintaining its vertically integrated, European supply chain).



ESG monitoring is conducted annually. In the three years of ESG monitoring, *Birkenstock* has executed on several ESG recommendations, including developing a formal supplier audit program. No red flags or high-risk issue areas have been identified during monitoring.



With L Catterton's backing, *Birkenstock* has engaged additional advisors to support the company in enhancing its ethical business practices.

Birkenstock hired a Head of ESG in 2023 to develop an ESG roadmap, oversee data collection, and support bespoke initiatives.

Looking ahead, L Catterton will continue to support *Birkenstock* in codifying its sustainability commitments into internal systems, policies, and procedures.



As *Birkenstock* accelerated its value creation plan, an **expansion of production capacity** was needed. L Catterton **supported management's decision** to continue investing in **local production and logistics** by opening a new facility in Northeast Germany in 2023. An additional investment was made in Portugal to add additional supply, which will come online in 2024. **Together, these investments allow *Birkenstock* to maintain strong supply chain and production oversight vs. outsourcing to lower cost locales.**

Pasewalk facility – Germany

- **1,000 employees upon completion of a full roll-out**
- First facility that can run 100% on fossil-free energy sources (gas only as a contingency)
- Powered by a self-generated, 2.4 megawatt photovoltaic system that can supply up to 30% of the facility's energy needs

Arouca facility – Portugal (in construction)

- **600 employees upon completion of a full roll-out**
- State-of-the-art production facility with own quality and logistics structure, Technical Development Center and LEED certification for highest environmental standards
- Kindergarten, transportation service, social rooms inside and outside, training school and canteen



Key sustainability themes identified in underwriting and supported through stewardship:

The vast majority of manufacturing is based in Germany (95%, with 5% in Portugal) to ensure strict product oversight and maintain vertically integrated manufacturing, rather than offshoring production

Over 90% of materials and components are sourced from Europe, allowing strong supply chain transparency

A significant percentage of materials used (cork, latex, leather, wool) are from natural, sustainable, and regenerative sources

Shoes can be resoled and repaired for increased use, encouraging longevity

Without compromising on quality, durability, and function, shoes are offered at a variety of price points – from standard models to luxury partnerships – allowing for product accessibility

The footbed design reflects the anatomy of the human foot, designed to encourage the natural walking motion and promote foot health

All suppliers must adhere to the company's Code of Conduct, which includes strong social, labor, and environmental standards

The company maintains strong sustainability oversight with a dedicated department coordinating and managing company-wide ESG-related matters

“

We are highly committed to quality and delivering products with utmost longevity to enable high life expectancy. ”



JUNE 2023

FEMME

FEMME Laboratório da Mulher

STRATEGY
LATIN AMERICA

YEAR OF INVESTMENT
2019

FEMME is a medical diagnostics company with more than 40 years of experience dedicated exclusively to women's health in Brazil. Challenges to healthcare access in Brazil often prevent women from completing critical health screenings. FEMME aims to address this issue by combining customized patient care, health education, and leading medical technology in its centers, providing women with quality and timely access to diagnostic services. FEMME estimates that around 40% of clients are from low-income households. FEMME's services and programs are also largely driven by women, who constitute more than 94% of total employees and 57% of senior management and the Board.



FEMME's health services are a key component of its B Impact Score, as companies with business models that are intended to create positive outcomes for customers are scored more highly. To that end, FEMME maintains women's health outreach initiatives, "Mamografia do Bem" and "Papanicolaou do Bem," to provide free access to breast and cervical cancer screening. Further recognizing FEMME's ability to provide much-needed health services, the U.S. International Development Finance Corporation (DFC) announced in June 2022 that it would provide \$31M in financing to support the expansion of up to 27 women's health diagnostic centers strategically placed in underserved areas. For the FEMME team, these initiatives are examples of how the company lives out its purpose as a mission driven health services business. The company's overall purpose, "Amor por ela" or "Love for her", was an important motivator in its decision to pursue B Corp Certification, which formally recognizes FEMME's efforts not only to provide positive

patient outcomes, but also to more broadly develop its ESG program to meet B Corp's standards.

The idea for B Corp Certification originated from FEMME's ESG Committee, which is comprised of senior company leadership and three L Catterton team members. The ESG Committee also supported the day-to-day execution of the certification

“

Purpose is deeply ingrained in FEMME. Being mission driven around women's health is natural for the company. It was a matter of communicating that to get the B Corp Certification. ”

— Roberto Cardoso
Director of People and Institutional Culture

~40%

of clients are from low-income households

3,259

Free mammograms provided through 2022

1,433

Free Pap smears provided through 2022

process, engaging a third-party consultant to provide additional insights. Through our involvement in the ESG Committee and broader engagement with FEMME, L Catterton has continued to coordinate with FEMME's Sustainability and People & Culture Committees to ensure its organizational policies and procedures are aligned with its sustainability plans and initiatives. In October 2022, FEMME became the second medical diagnostics company in the world to achieve B Corp Certification with an inaugural score of 87.2. FEMME anticipates that its B Corp Certification will better enable it to prepare for future ESG trends and access opportunities such as partnerships with other certified organizations and fundraising sources.

GANNI

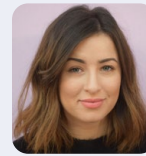
GANNI

STRATEGY
EUROPEYEAR OF INVESTMENT
2017

Founded in 2000, *GANNI* is a contemporary fashion brand that takes an avant-garde approach to ready-to-wear fashion. In 2022, *GANNI* was awarded an inaugural B Corp Certification score of 90.6, an achievement, as *Vogue* points out, that places it among the highest-scoring contemporary fashion brands. Further emphasizing the brand's position as an industry leader in sustainability, *GANNI* and *L Catterton* were selected as the winners of Private Equity Wire's 2022 award for Best Corporate Sustainability Strategy at a Portfolio Company. Through its B Corp Certification,



GANNI has affirmed profit and responsible business are not mutually exclusive, but that strong ESG management can contribute to a business's overall success. As *GANNI*'s Director of Sustainability & Corporate Social Responsibility, Lauren Bartley has been leading the company's ESG and sustainability strategy for the past four years, and she recently shared more about the company's B Corp Certification process with *L Catterton*.



An Interview with **Lauren Bartley**,
Director of Sustainability & Corporate Social Responsibility

What was GANNI's motivation for pursuing B Corp Certification?



Lauren Bartley: *GANNI* is a very value-led company. Our leaders Nikolaj and Ditte Reffstrup are personally invested in sustainability and female empowerment – it's baked into our DNA. We developed our first sustainability strategy in 2019 with 44 goals, including becoming a B Corp Certified company. We recognize that there is not a lot of consensus around what it means to be a responsible business across many industries, but this is especially true in fashion. We did not want to market ourselves as a responsible business without external validation; we don't want to mark our own homework. Having a third-party come in and review us enables us to be graded more objectively.

How did the brand achieve one of the highest scores in the industry?



Lauren Bartley: We always set ambitious goals for ourselves. We knew we needed 80 points, but we set a goal of 100 points in the



hopes of hitting somewhere around 90. Once we realized the effort required to gain even one point, we knew we needed to find a way to motivate the teams to provide the proper documentation, create policies, and work on building a sustainability strategy. We held weekly meetings where we went through points earned and made it tangible for people to get involved. You're only as good as your documentation for B Corp Certification, and while we were already doing a lot on sustainability, we hadn't documented all of it. It ultimately became a 10-week sprint of fact finding and developing documentation, driven by a sense of competition among the teams, that led to us achieving our score.

Who were the key supporters of B Corp Certification?



Lauren Bartley: Andrea Baldo, our CEO, came to the weekly meetings to reinforce the internal campaign around hitting 100 points, which signaled to the team that he cared about the certification. And L Catterton was very supportive of GANNI pursuing B Corp Certification. It's a huge decision to change the bylaws to demonstrate that GANNI is in business not just to make profit, but also to benefit people and the planet. The value of the certification was well understood by L Catterton and the Board of Directors, and that allowed us to streamline the process significantly.

How will the company's sustainability strategy evolve in the future?



Lauren Bartley: When we announced our B Corp Certification, we included a slide that showed where GANNI was within the broader fashion industry. While we were at the top for the advanced contemporary group, we also made a deliberate decision to draw attention to where Patagonia was, which is at the top of the entire industry with 150 points.



Our next aspiration is to work toward 150 points. We've implemented a new strategy and we are working on some really exciting projects at the moment. We are running a program called "Fabrics of the Future" that will change the industry as we know it. We ask questions like, "What is the cotton of the future? Is the leather of the future going to be grown in a lab? Are these fabrics of the future made from waste?" Also, we are really thinking hard about reducing our carbon emissions, so we are in the process of developing carbon

insetting initiatives and partnering with our suppliers to install solar panels and switch to renewable energy sources – there will need to be a lot more collaboration between the brand and our suppliers for us to reach our goals.

What advice would GANNI give to other brands pursuing B Corp Certification?



Lauren Bartley: Know that B Corp Certification is not just a sustainability initiative – it's

GOVERNANCE	17.2	Out of 20 points
WORKERS	21.2	Out of 40 points
COMMUNITY	18.9	Out of 40 points
ENVIRONMENT	29.1	Out of 135 points
CUSTOMERS	4.0	Out of 5 points
TOTAL	90.6	Out of 200 points

“

We don't want to mark our own homework. Having a third-party come in and review us enables us to be graded more objectively.”

– Lauren Bartley
Director of Sustainability & CSR

a certification for the entire business. It will, of course, be an initiative for the sustainability team, but it encompasses so many aspects of business operations and you will need to incorporate people from across the company. We have partnered with B Labs to host several webinars to educate businesses on the B Corp Certification, and one of our core theses is that the entire business needs to be involved, and senior leaders need to demonstrate buy-in for a brand to be successful. We would not have been able to succeed without the cross collaboration and support from team members across the company, our Board of Directors, and L Catterton.

ODONTO



STRATEGY

LATIN AMERICA

YEAR OF INVESTMENT 2019

Comprised of over 2,500 clinics across three brands, *OdontoCompany Group* is the largest dental clinic network in Brazil, providing dental care services to tens of millions of patients across the country. In the past year, *Odonto* has worked to embed ESG into its overall governance and business strategy. In January 2023, *Odonto* completed a materiality assessment aimed at identifying and prioritizing strategic items within its ESG agenda. As part of this process, *Odonto* engaged key stakeholders – including franchises, employees, and suppliers – to identify the most

material ESG issues to the business and consider potential ESG opportunities with the greatest impact. Through these efforts, *Odonto* seeks to pioneer best practices in the dental care industry and provide top-tier care for its patients.

Given its franchising structure, *Odonto* recognized that clinics must adopt strong ESG practices for the broader organization to make meaningful ESG progress. As such, *Odonto* made significant efforts to standardize governance policies and procedures across all franchised clinics within its network, particularly through the rollout of its Sustainability Handbook, to strengthen its ESG program and support franchise-level ESG practices. The handbook details priority initiatives, including reduction of energy and water consumption, use of reusable and/or biodegradable cleaning materials, as well as plastic and paper waste reduction.

Odonto has also begun to integrate ESG into training for all franchises, requiring new clinics to complete an ESG module as part of onboarding. For existing clinics, *Odonto* works with each franchise to identify action items that align with the company's ESG objectives and provides ongoing ESG support.

These efforts to formalize ESG governance are supported by *Odonto*'s board-level ESG Committee, which includes participation from the L Catterton team, to inform ESG priorities, strategic planning, and goal setting. With the committee's guidance, *Odonto* hired an external consulting group to further define and support achievement of its ESG goals. Looking ahead, Nathalia Torres, *Odonto*'s Chief Marketing Officer, will start to work with the ESG Committee and consulting group to advance internal and franchise-level ESG initiatives.

“

Actions aimed at ESG will only be successful in franchised clinics once [our ESG] agenda is strengthened and transparent...the response from franchises [to our focus on ESG] has been very good – they are all very earnest about ESG and want to take action.”

– Bryan Chiarello,

Senior ESG and Sustainability Analyst



SHIBUYA UPPER WEST



STRATEGY REAL ESTATE

YEAR OF INVESTMENT
2021

L Catterton Real Estate (LCRE) continues to leverage its position as an investor in urban, large-scale, and mixed-use properties to create value across ESG topics such as environmental sustainability, resource efficiency, employee and tenant well-being, and strong relationships with local communities. To do so, the LCRE team works closely with its



project partners to integrate ESG considerations throughout the property investment lifecycle.

At its *Shibuya Upper West* property in Tokyo, *LCRE* collaborates with project partners, including architecture firm *Snøhetta*, conglomerate *Tokyu Corporation*, and retail company *Tokyu Department Store*, to set and execute the property's sustainability strategy and goals. Currently in the design phase, the project will redevelop the

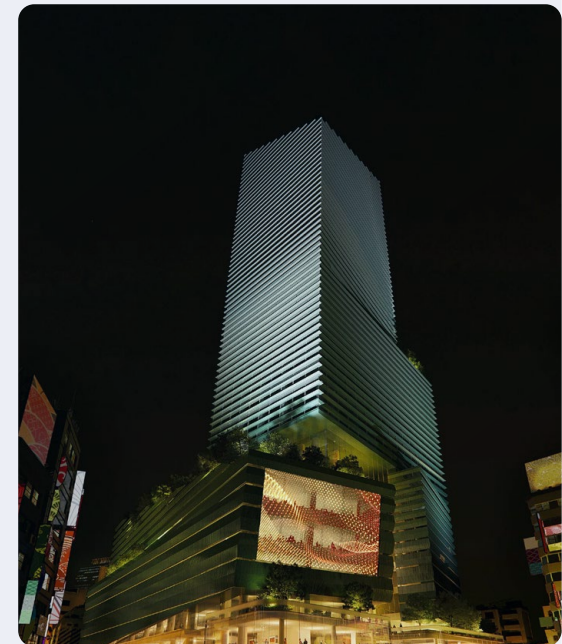
current *Tokyu Department Store* site into a 117,000 m² mixed-use development including the Bunkamura art and cultural complex, high-quality retailers, a contemporary luxury hotel, office space, and rental residences. While specific environmental targets may evolve as the project moves through the design phase into construction in 2024, *LCRE* is working closely with project partner *Snøhetta* to integrate sustainability into the property's strategic goals, incorporating

“

We can't work on sustainability without working together with stakeholders and partners, and *LCRE* is one of the most important. Their support on bringing sustainability and regenerative design to the forefront of the project has been helpful in this collaboration. ”

— Robert Greenwood

Partner & Director for Asia Pacific, *Snøhetta*

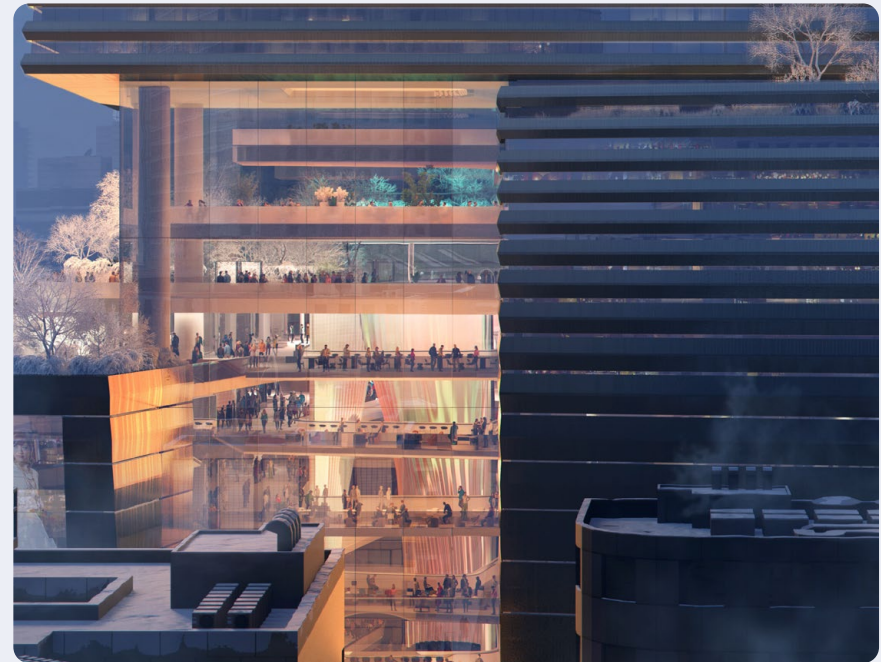


innovative design elements and collaborating with other project partners to set achievable environmental targets.

The project includes several design elements aimed at reducing its carbon footprint and overall energy consumption. The project is targeting LEED Gold and WELL Silver green building certifications – in addition to assessing the feasibility of additional certifications such as CASBEE Class S – which will require the project to achieve high levels across critical building sustainability elements. Specifically, these certification frameworks set strong environmental targets related to carbon, energy, water, waste, materials, air, light, health, and indoor environmental quality in building design. The design plan utilizes the property's current basement in the new structure to minimize excavation and construction, thereby reducing both energy and waste production. To support the local economy and reduce fuel needed for transportation, the project aims to integrate locally sourced building products and materials.

In addition, *Shibuya Upper West* plans to harvest rainwater to use for on-site irrigation and utilize renewable energy sources to power the building. The project also plans to engage technical consultants to measure the project's carbon footprint, and will use this to inform additional, innovative ways to reduce its overall environmental impact.

The project has further demonstrated its commitment to integrating sustainability considerations into the building design by including specific elements aimed at preventing excessive heat and reducing associated energy costs. For natural heating and shading, the project utilizes natural atrium sunlight in both the retail and hotel spaces which would otherwise require artificial lighting and additional energy and construction. Most notably, the building's round tower façade design naturally shades the building with horizontal runners, resulting in reduced heat as a result of solar heat transmission into the building while still maintaining natural sunlight.



CREDICLUB

crediclub

STRATEGY
LATIN AMERICAYEAR OF INVESTMENT
2022

Crediclub is a Mexican microfinance lender providing services such as microcredit loans that are specifically designed to increase women's access to financial capital. Nearly half of Mexico's GDP is generated through micro, small, and medium-size enterprises; in particular, women own or lead over half of the micro-sized enterprises.

Even with an instrumental role in Mexico's economy, 35% of women are excluded from the country's financial sector compared to 28% of men, an important facet of gender discrimination that leads to lower levels of financial security and barriers to entrepreneurship. As a digital financial services



platform, *Crediclub* has introduced a series of financial products to support closing these gaps. For instance, *Crediclub* supports financing for MSMEs in Mexico, with ~99% of its loan portfolio funneling capital to entrepreneurs of MSMEs. In terms of financial inclusion, *Crediclub*'s *MujerActiva* product is notable for utilizing a group lending model with the explicit purpose of increasing women's access to credit. By providing loans to those who have been historically excluded due to lack of credit history, *Crediclub*'s products can promote women's financial well-being, which can have positive societal impacts, such as reduced rates of poverty and household food insecurity. These potential positive impacts align UN Sustainable Development



Goals, especially Goal 5: Gender Equality and Goal 8: Decent Work and Economic Growth.

In 2022, 97% of *Crediclub*'s loan value was distributed to women. With increased capital, women may be able to kickstart their

“

We want people to remember us more for the impact we've had on Mexican communities. We want to be the ESG leaders in our industry... want our own employees to feel that passion for it... and to create a better Mexico for all. ”

— Priscila Escalante

ESG and Corporate Development Manager

business dreams or receive the financial support needed to rapidly scale their current enterprises. For one customer, *Crediclub*'s loan provided her the capital to open her own business following a cancer diagnosis to financially support treatment, while for another it meant buying the equipment necessary to scale her business plans and increase customer satisfaction. Regardless of how women invest capital in their businesses, the access to additional capital can result in positive social outcomes more broadly, such as allowing *Crediclub*'s customers to invest in their children's education and provide financial support for their households.

CREDICLUB (CONT.)

To further close gender based financial access gaps, *Crediclub's* technology platform allows it to access underserved communities, and its product offering specifically addresses a common barrier presented by other lenders. *Crediclub's* interest rate is anywhere from 2-29 percentage points lower than competitors, likely contributing to the low percentage of customers with outstanding loan payments and high client retention rates. *Crediclub's* customers note that low interest rates compared to other financial service providers allows them to build strong credit scores, qualifying them to access additional loans to grow their businesses. *Crediclub's* interest rates also allow its customers to channel revenue from their business into their own health and well-being, such as paying off medical bills rather than paying off high interest rates.

Since *L Catterton's* investment in May 2022, *Crediclub* has been working to enhance its impact-oriented offerings and formalize its ESG program. *L Catterton* has connected the company with resources and contacts to support its goal of being an ESG leader in Mexico's finance industry. With



L Catterton's support, *Crediclub* continues to demonstrate the importance of a holistic ESG and impact strategy, especially for businesses dedicated to providing services with positive societal outcomes.

As a next step in enhancing *Crediclub's* social impact, it intends to collect additional impact metrics to quantify the scale and depth of its impact. For instance, *Crediclub*

“I’m excited to keep working with *L Catterton* and create a more profound and robust ESG program and play a huge role in what ESG becomes at *Crediclub*.”

— Priscila Escalante

ESG and Corporate Development Manager

plans to track how its customers' credit score changes from using *Crediclub's* services and compare customers' savings to national averages in Mexico. These KPIs can provide greater understanding about the potential depth of impact from *Crediclub's* services. In addition, *Crediclub* plans to engage its customers to evaluate how access to financial services may lead to improvements in physical and mental health for women and their

\$2.7B+ USD

loaned from 2005–2022

87%

of customers
are women

90%

Client
retention rate

13,000+

Women provided
with savings accounts

89%

of loan value
distributed to women



families. Going forward, *Crediclub* will be able to leverage these data insights to grow the positive impact from its financial product offerings.

MERIT

MERIT

STRATEGY
GROWTHYEAR OF INVESTMENT
2021

MERIT launched in January 2021 as a minimalist luxury cosmetic brand and quickly rose to prominence, lining Sephora shelves by February of that same year. Since then, the brand has gained acclaim, winning over 25 industry awards including the 2022 Allure Best of Beauty Award in the “Clean” category. In addition to its appeal as a vegan, cruelty-free brand, *MERIT* builds trust with consumers of varying skin tones, textures, and conditions through its integrated approach to inclusivity. Through inclusive product lines and representative marketing campaigns, *MERIT* has prioritized shade inclusivity

and representative marketing from the start. Aila Morin, Senior Vice President of Brand, Growth, and Innovation, gave us more insight into the steps that *MERIT* has taken to make diversity a central focus of the brand.



An Interview with **Aila Morin**,
Senior Vice President of Brand, Growth, and Innovation

What does diversity mean to *MERIT* as a beauty brand?



Aila Morin: For us, diversity means representation across skin tones, types, ages, and much more. When we design a product, having an inclusive shade range is one of our first considerations, but we also think deeply about the skin conditions that our customers might be dealing with, like rosacea or acne-prone skin. And we also want to make our products accessible to aging consumers who might be dealing with fine lines or different textures. Diversity is a non-negotiable for the brand — this is what we are, and this is what we do. Diversity has always been a core value, and it’s something everyone at *MERIT* is trained on and expected to uphold.

How does *MERIT* design products to be inclusive?



Aila Morin: With makeup, we start with an understanding of what ingredients work for all skin types to create an inclusive formula. We also

make sure that our products are created by and tested on individuals that represent a wide range of skin types, ages, and complexions, so we get great feedback throughout the process. The process of creating a new product takes about two years, so it’s very iterative. Beyond the initial creation of a product, we take customer feedback very seriously. We tweak products all the time based on feedback, whether it’s through Instagram comments or product reviews. We have relaunched products based on feedback, tweaking things like the undertones of a product or how different ingredients work for different skin types. People only trust the brand if you respond to what they are saying.

“

Diversity is a non-negotiable for the brand—this is what we are, and this is what we do.”

— Aila Morin

MERIT (CONT.)

How does **MERIT** integrate diversity into its marketing strategy?



Aila Morin: Diversity is part of every campaign, and it's part of our brand DNA. We loop our creative department into the product development process early so that they understand how to recommend different products for various skin types, tones, and textures. Internally, we don't frame diversity as an option. When we approve the Instagram feed, if we don't have the right representation, we won't post until it's right. We want to make sure people see themselves in our feed and that it represents the breadth of our community.



Describe the process for selecting influencers, models, and brand partners.



Aila Morin: We don't select partners solely based on who is the most popular or fits "best" into the social media algorithm – instead, we always source a wide range of potential partners. This all starts with having a diverse team that is



able to find really incredible creators of all different ages, sizes, races, and more. We often work with women who aren't traditional models or have huge followings, but we apply the same thinking when discussing celebrity and influencer collaborations.

How does **MERIT** see its approach to diversity continuing to evolve?



Aila Morin: Right now, we are thinking more about gender and

ability diversity. We know that our customer base includes people of all genders and ability levels, and we are thinking about how to best reach them. Our ideas about where to focus next come from dialogue within our team about where we can be more inclusive. We also get feedback from Sephora about what people want to see in store, and we are really honest with ourselves about where we might have some gaps in representation. Being honest internally is what makes it possible to figure out where to go next.



“

If we don't have the right representation, we won't post until it's right. We want to make sure people see themselves in our feed and that it represents the breadth of our community. ”

— Aila Morin



